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COUNTRY'S FIRST ENERGY PLAN SUBMITTED TO LEGISLATURE

Godthåb GRØNLANDSPOSTEN in Danish 14 Oct 81 pp 8, 15

[Text] Energy Plan Proposes Formation of Greenland Energy Company

Greenland must have its own energy company. This was proposed by a group of government officials in the energy plan which, this week, will be submitted to the Landsting.

One of the major purposes of forming such a company is to ease the borrowing which will be necessary in connection with the conversion from oil to hydraulic power and coal. The government officials estimate the investments to amount to 2.6 billion kroner over the next 19 years if the energy plan is carried through.

"If a Greenland energy company is established, in which the municipalities, the home rule government and perhaps the Danish state will participate as part-owners, such an arrangement will presumably ease the terms for raising means in the international capital market," the authors of the plan write. "The best possibilities will be ensured if the total project is presented as an entity."

The energy company will be responsible for the production of power and heating in Greenland and for the import and distribution of energy.

The financing of the conversion from oil to hydraulic power and coal is expected to be one of the politically most interesting aspects of the new energy plan. The politicians have the choice of either continuing as hitherto, which will cost 1.5 billion kroner by the year 2000 for new oil-fired power and district-heating plants--or of investing another 1.1 billion kroner and thus obtain a reduction in the share of oil in the energy supply to 20-25 percent.

The latter solution will give savings of 310-390 billion kroner a year (in terms of 1979-kroner) after the year 2000 because Greenland will then be able to import less of the expensive oil. In addition, the construction of hydraulic power plants will provide many new jobs.

The government officials point out that all advance calculations must be regarded as estimates only. Nobody can today project the rate at which oil prices will increase.

Coal and Hydraulic Power Can Replace Expensive Oil

It has now again become more expensive to light up and heat one's home. GTO has just announced that the price of electricity as of 1 October has been increased by 5.5 percent and that of heating by 8.1 percent.

The reason is that the oil used by the district heating and power plants became more expensive in July. One liter now costs 2.20 kroner.

It will be neither the first nor the last time that we shall experience a price increase. The cost of oil is becoming a problem in Greenland where 98 percent of the energy comes from the black liquid from the Middle East. Each time the price is raised by 30 ore, it will cost the society approximately 50 billion kroner--two price increases of that magnitude suffice to eat up 1 year's subsidy from the EC.

It now seems likely that efforts will be made to tackle the problem. Greenland has got its own energy plan, which will be submitted to the Landsting this week. In this plan, a group of government officers propose ways of reducing the dependence on Arab sheiks and American oil companies. First of all, savings of oil must be effected. Savings of 20 percent may be obtained through better insulation and similar measures.

Secondly, there must be a reorganization of the supply system so that Greenland by the year 2000 need only import one fourth of its energy in the form of oil. The government officers are of the opinion that the remainder may be covered by the country's own resources--i.e. especially hydraulic power and coal and perhaps also wind power.

"It will take a long time for the cheap energy to really make itself felt among the consumers, one of the reasons being the one-price principle," says Mads Christensen of the Trade Department. He was the representative of the home rule government in the group of government officers who worked out the energy plan. But the energy would gradually become less expensive, and the conversion will, moreover, also be felt in a number of other areas--if it is, indeed, carried through.

If hydraulic power is introduced, electric heating will conceivably become widely used. Electricity will then become so inexpensive that it may compete with other means of heating. Coal-firing may come back for single-family homes--but probably in a more reasonable and technically advanced form.

"It is altogether characteristic that the new energy systems will become far more complicated than the systems used today," says Mads Christensen. "The new Greenland will, in that area, almost become something like 'the fair, new world'."

He points out that it will be necessary to get started soon, for several issues are becoming urgent: Are the power plants around Greenland which need to be replaced to be replaced by hydraulic power plants or by new oil-fired plants? Are the new homes to be equipped for district heating or for electric heating systems? Without an energy plan, there is a great risk of making wrong investments.

MINISTER HOPEFUL OVER COUNTRY'S PETROLEUM, MINERAL PROSPECTS

Istanbul TERCUMAN in Turkish 13 Oct 81 pp 1, 13

[Article by Erkan Yigit]

[Text] We discussed Turkey's "subterranean riches" with Energy and Natural Resources Minister Serbulent Bingol and drew a map of "subterranean resources". Bingol said that Turkey's subterranean was as wealthy as its 776,676 square kilometer surface. Drawing three circles in red on the map, the Minister placed the words "boron deposits, uranium and petroleum" within the circles. According to the Minister, these three resources are the keys to a bright future for Turkey.

The last word circled on our map was petroleum. Petroleum consumes one half of our foreign currency earnings and increases in its price are translated into growing global concern. In response to one of my questions, Serbulent Bingol painted an optimistic picture of our petroleum future:

"Americans have a saying about people who believe what they wish to believe. I don't believe in that matter. I am very hopeful about petroleum in the future." I replied with another question. "When will Turkey discover its petroleum? Can you place a date for the realization of your hopes? Can you for instance place such a date within the next five years?" Bingol's reply (3 to 4 years) gave me some hope.

Petroleum is a source of great hope as well as anxiety. It is difficult to believe that it exists or that it will ever be discovered. However, I too became hopeful when I saw that the Minister as well as his ministry were being hopeful. Bingol continued to make optimistic statements:

"Do you know that Turkey appears in western publications as a country in which petroleum has not yet been discovered in sufficient quantity but also as a country in which more petroleum will ultimately be discovered?" As the Minister spoke, I felt more and more excited. "In the 1930's while we were children, we did not know what petroleum was. As far as we were concerned, petroleum was nothing more than the oil that was burnt in gas lamps. Yet, Turkey is so crucially situated!" I questioned the Minister on his last statement. In illustrating the hopeful signs for the eventual discovery of petroleum within the context of the map of subterranean resources, the Minister replied as follows:

"There is much more evidence than what is being said in western publications to indicate the existence of petroleum in our country. We are located within a triangle demarcated by Romania, Bakou and Mosoul. Even the most unsophisticated of our citizens keep wondering aloud why petroleum should not be discovered in our country. Also there happens to be a geological factor. The sedimentary construction of Iraq, Iran and Trace extends as far as Siberia. In other words, we have the same soil structure as petroleum rich areas such as Iran, Iraq, Siberia and Syria."

Minister Bingol expressed further hope as he discussed past western prospecting for Turkish oil. "The Petroleum Law was adopted in 1954 and western companies arrived in 1955. Some of these struck petroleum. Following this, petroleum was discovered in Libya and Saudi Arabian production was developed. Kuwait discovered petroleum at a time it least expected. It did this by prospecting two kilometers beyond the spot where the last fruitless attempt had been made. This resulted in the discovery of a deposit of petroleum amounting to 10 billion barrels--the richest in the world. Those who came to Turkey in those days did not leave saying that there was no petroleum to be found."

I inquired as to their reasons for leaving. "We have topography that is more problematic than that of our petroleum rich neighbors. In other words, the costs were greater. In the least, they would have had to build some roads to any potential prospecting site. In the other countries the terrain is very flat. Their petroleum lies very close to the surface. Those who came to search for petroleum in Turkey left not because there was not any to be found but because other areas were easier to prospect. The 65 companies who first came here during those days can now be seen pumping petroleum in those areas."

While discussing his hopes, Minister of Energy raised another issue: "At Sirnak we can see that asphaltite has risen to the surface. This is a phenomenon in which petroleum is compressed and rises to the surface of the earth. It is proof that petroleum is present." Serbulent Bingol added the following: "We are searching for petroleum in 57 regions. This constitutes only 6 in ten thousand of the 90 thousand prospecting sites that are currently in process worldwide. Yet, if every prospecting activity were to yield results the world would have been awash in petroleum."

I am about to ask "What about us?" and once again Serbulent Bingol's reply is hopeful: "Many of our attempts to discover petroleum produce positive results. We often find petroleum in Turkey. There are no reasons to disbelieve this." The Minister of Energy once again repeats what he has said while drawing the map of subterranean resources and once again his official pronouncements raise expectations: "God willing it will not even take three or four years. Turkey will discover petroleum in quantities adequate to meet its needs." The Bay of Iskenderun appears prominently on the Ministers map. He says: "There is petroleum in the bay and we are advancing towards it."

Several other mineral resources appear prominently on the map drawn by the Minister of Energy. These include boron, uranium as well as gold found in the Bolkar Mountains. What is boron? "Boron is a mineral with a variety of applications ranging from the construction of heat resistant glass to the production of fuel for space vehicles. It is very fortunate that we hold sixty percent of the world's reserves in this mineral. Another portion of the world's reserves is located in the

United States more and more dependent upon our boron resources. In other words, we will supply fuel for American spacecraft. These spacecraft will leave behind them a fuel trail of boron."

Radioactive evidence found in several locations clearly points to the presence of uranium. At this time, there are no plans to export any of the estimated 4000 tons reserves in this strategic mineral. The Minister explains: "We are not considering exportation because Turkey is moving towards conversion to nuclear power plans. We cannot sell the raw materials needed for this conversion. We will be determining the full extent of our uranium reserves in the period that is needed for the development of the nuclear powerplants."

Mineral resources such as lead, copper, lignite and iron are added to the map. These minerals add to the subterranean wealth of Turkey but are overshadowed by wealth in other, more exotic minerals. The map that we are preparing with the Minister is just about completed. The Minister says that "the Mineral Prospecting and Search Institute is working day and night to determine the full extent of Turkey's mineral resources." We briefly turn to coal which is plentiful yet expensive to produce. According to Bingol, the cost of producing coal is rising with each passing day. The extraction of a single ton of coal requires the excavation and transportation by truck of 12.5 tons of earth. The Afsin-Elbistan thermal facility alone requires 20 million tons of coal each year. The Minister emphasizes the extraction difficulties affecting coal and adds: "We must mobilize domestic as well as foreign resources in our activities to extract petroleum."

We have just about completed our map. The Minister turns briefly to Wolfram which is another strategically important substance. Its production at the Uludag facilities is once again underway and there is the possibility of exportation. Turkey's subsoil is as wealthy as its surface. Minister Bingol firmly believes that there is petroleum to be found in the east and the southeast. He has been receiving indications that this is the case. The map is a testimony to wealth and petroleum figures prominently within this testimony. The Minister concludes by saying: "We have learned how to use our subterranean resources. We shall use them and save Turkey."

9491

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EFFECTS OF EEC ENLARGEMENT ON AGRICULTURAL SECTOR

Rome IL TEMPO in Italian 23 Oct 81 p 2

[Article by Arcangelo Lobianco, president of Coldiretti]

[Text] Even though they are distracted by serious immediate concerns, trade union officials and agricultural producers should not let their attention be distracted from the problems that the coming entry of Spain and Portugal into the Community will cause to our country's agriculture. The well-known vicissitudes of the 1981 campaign about peaches and table grapes gave us a close look--in Greece's case--at what can emerge from negotiations on the impending membership of new countries. Speaking recently in Spain at an agricultural trade union conference, I made a few general comments on the risks that can be inherent in the process of integrating relatively poor new countries into the EEC in the present state of the Community's crisis. Some of my statements to the press were misunderstood during this conference, therefore it may be useful for me to repeat what our position is.

Coldiretti has always felt that any talk about enlarging the Community to include Mediterranean European countries should be based on a fundamental premise: the first effect of Greece's membership and of the future membership of Spain and Portugal will be the geographical and cultural completion of Europe as a community. Furthermore, all three of these countries have given as their reasons for wishing to join their belief that merely being part of the EEC would guarantee the preservation of their newfound or newly conquered democracy. In considering the entry of Greece, Spain, and Portugal into the Community as positive steps, we have always stressed the fundamental nature of these considerations. But at the same time, the organization has repeatedly criticized the delay with which the EEC has tried to pass from the Common Market stage to that of economic and political union. This delay is not irrelevant to the way in which new countries will become members of the Community.

The membership of Greece and the future memberships of Spain and Portugal come at a time of trouble for the so-called European adventure. The economic crisis and social tensions which are gripping Europe have further embittered the necessarily laborious process of integration which the Community is trying to achieve. It is true that a European parliament has been elected by direct suffrage. But the enthusiasm generated by this event was immediately dampened by the fact that few of the member states are willing to define this parliament as a truly supranational decision-making entity. It is true, of course, that the Common Market was implemented exceptionally rapidly.

Economic Integration. But the speed with which the Common Market was attained has been an advantage for some territories and a disadvantage for others. The attempt to make the integration of the member countries' trade more equitable has run up against an insufficient supply of funds in the Community budget, which does not exceed 1 percent of the gross total product of the Community at present. The same can be said of the SME (European Monetary System). The creation of a stable monetary zone is neither automatic nor voluntary: it implies advantages for some countries and disadvantages for others. To make the SME acceptable to all, it has been said that it would be necessary to triple in the medium term and multiply by 6 in the long term the Community's present budget. But the Community responds when faced with these needs by proposing that funds be blocked at the present insufficient levels, that payments to mend England's deficit be increased, and that agricultural expenditures be held down if not reduced. This without considering the fact that the Community's agricultural policy has worked to the advantage of just a few member states for almost 20 years.

These considerations are clear indications of two certain facts. The first is that within the European Common Market no one intends to share advantages already attained from integration. Secondly, the Community's drawing power is gradually lessening. It is appropriate, one in a while, to give due weight to the fact that in 1972 the people of Norway rejected their government's suggestion of membership in the EEC. To be consistent we should also recall that the opposition of the British Labor Party and of the Greek Pasok to membership in the EEC is not just political. In Greece, Papandrou has often stated that his party is not interested in integration if its purpose is to transform the Greeks into waiters and Greece into Europe's pantry.

Recently an Italian Commissioner in Brussels stated that the membership of Spain and Portugal would be good business for the Europe of the Ten, if for no other reason than because it would create an additional preferential market of 45,000,000 people. That may be. But what has the EEC to offer the two future members? Not concrete solidarity and a political anchor, because politically the EEC is less than a baby. Not economic solidarity, because the Community's financial resources would remain frozen. If this option--as can be expected--is maintained for the Europe of Twelve, too, the new members would run the risk of transforming the EEC into a special free trade zone. The EEC, with no political content and a diminished economic value, is not the anchor of stability that its future members think it is. Spain and Portugal must ask themselves if it is really worthwhile withdrawing from EFTA to join the Community. In saying these things--as we did in Spain--we are not opposing the membership of these countries. We are simply clarifying what this membership would mean to them.

Negative Effects. Now let us consider agriculture. In its urgent and catastrophic need to maintain funding at its present level and contribute to a reduction in the British deficit, the Community is trying to prune off--as though it were a hedge--all agricultural expenditures. Among the cuts to be made would be a series of achievements, the "Mediterranean package," to offset the negative effects of the agreements with the countries of the Mediterranean basin. There is a second objective hidden in this operation: the cut in "Mediterranean expenses" is to be made with the prospect in mind of the cost that would arise if these Mediterranean expenditures were extended to the new members. This concern is so real that with a very

unorthodox procedure the Commission has considered modifying some regulations (the agricultural achievements, as they are called) before Spain and Portugal join the Community. But it just so happens that these modifications would regard only Mediterranean products (wine, fruit and vegetables, oil), and there would be more taking away than adding.

Between now and December the EEC will decide how to cover England's deficit, at least partially. After talking about policies of restoration of equilibrium, and the disadvantages that many Italian territories have suffered from Community integration, our government will certainly have to decide to pay more into the Community cashbox and receive less from it.

Coldiretti feels that a rhetorical approach to the problem of enlargement could lead to the same results. Analyzing the problem openly, without false reticence, is for us a real way of working for European unity, attributing a higher value to it than its effect on the consolidation of rich areas on the continent.

9855

CSO: 3104/40

POLICY, PROBLEMS CONCERNING GUEST WORKERS

Vienna EUROPÄISCHE RUNDSCHAU in German No 4, Fall 1981, pp 79-83

[Article by Peter Stiegnitz, press spokesman of the federal minister for social administration, Vienna: "Guest Workers in Austria"]

[Text] The legendary phrase coined by Swiss author Max Frisch, "They asked for workers, but human beings showed up," also sounds right and proper in Austria.

Amid the emigration and immigration of the big Voelkerwanderungen caused by war and political developments (the end of the war in 1945, the Hungarian revolt of 1956 and the Czechoslovak revolt of 1968), the "ministering angels" arrived in Austria from Yugoslavia and from Turkey. The high point so far (226,000) was reached halfway through the period of great economic prosperity (1973). At the beginning of 1981 we had 174,700 foreign workers. The majority of them (66 percent) are from Yugoslavia. Then come the Turks (16 percent), and in third place are the "fancy guest workers" ["Edel-Gastarbeiter"] from the FRG (7 percent). The rest come to Austria from Spain, Italy, Portugal, North Africa, and so on and so forth. This rank order by countries hardly varies from one year to the next. Austria's geopolitical position predestinates our accepting again and again small or sizable waves of refugees (a modern kind of Voelkerwanderung)--and amid such waves the routine of employment of foreigners takes its course.

Foreign workers affect not only the domestic labor market, as a "production factor," but also indirectly the mobility of domestic workers. In three ways (regionally, as regards branches of industry, and demographically) the foreigners inhibit the mobility of Austrian nationals. Regionally and as far as branches of industry are concerned, they are more mobile than Austrian citizens, and because they can be employed en masse and immediately, they make it unnecessary for Austrian nationals to enter the labor market earlier or leave it later (demographic inhibition of mobility).

In addition to the social inhibition of mobility, foreign workers, from an overall point of view, can also make innovation more difficult in that they "save" enterprises capital investment and increased use of mental reform efforts ("intelligent products") in a number of sectors.

In light of this, labor unions are not too pleased with the foreign workers. On the other hand, they are the sole "guardians of the interests of foreign workers." The

workers councils in the plants, the supraenterprise labor union officials and finally the labor offices, friendly to the unions, try to see to a human existence of these workers who have become human beings.

And while on the subject of the labor offices, let me state this: The people in the Ministry of Social Administration are not very happy with the current legal situation. The "Foreign Workers Employment Law" of 1975 makes possible only a somewhat complicated handling of the legal regulations governing employment and leaves open quite a number of questions (such as the discrepancy between economic benefit and socioecological disadvantage). The tasks of the social welfare state and the demands of humanity after 10 years of conscious use of foreign workers and 5 years of applying the Foreign Workers Employment Law also make it necessary to rethink the legal framework.

The Economy Needs Them

The legendary Frisch phrase notwithstanding (and as a Swiss he must know what he is talking about, for the Swiss do employ about 1 million foreigners), guest workers can also be laid off. Thus this year about 12,000 fewer workers have been employed than in 1980. Understandably Vienna is in the lead, with 75,768 foreign workers (-3,500), both as regards employment and as regards the laying off of workers. Second place (as regards employment but not as regards laying off) is occupied by Vorarlberg, with 19,809 (-800). Then come Lower Austria, with 16,744 (-2,100); Upper Austria, with 13,892 (-2,000); Salzburg, with 13,102 (-1,000); Tirol, with 11,930 (-800); Steiermark, with 6,406 (-1,300); Carinthia, with 4,341 (-400), and finally Burgenland, with 721 (-100).

The national average is 6.3 percent. It is exceeded only in Vienna (10 percent), Vorarlberg (18 percent) and Salzburg (8 percent).

Whereas the Ministry of Social Administration believes that this reduction in the "foreigners' share" is entirely defensible as far as the Austrian economy is concerned, the Bundeskammer [department of interprovincial trade] warns against a further reduction, stating: "A beneficial further development of the economy without foreign workers would hardly be possible; in Austria the number of foreign workers has already reached the lower limit which cannot be exceeded without damage to the economy."

"Attempts to achieve a 'federal equalization' of structural unemployment by raising mobility in the labor market have not proved very successful. The transfer of workers--for example from Carinthia or Steiermark to Vienna or from Vienna to Vorarlberg, but also so-called 'sniffing platoons' [Schnupperzuege] did not meet with much affection on the part of workers."*

Certainly the decrease in the number of foreign workers is no panacea in the fight against unemployment. Other methods, such as the shortening of the workweek, are more effective and more humane.

*Press Service of the Bundeswirtschaftskammer 18/80

"Already in past times it turned out that such transfers were hardly successful even when they became more attractive as a result of measures of rationalization at the place of work concerned or even as a result of higher remuneration. These conclusions agree with a study of the International Labor Office, whose authors however also warn that reductions in the employment of foreign workers contribute to an increase in tensions in the labor market, with the economically weaker sectors and regions being the first to suffer. Moreover a reduction in the number of foreigners must be approached with caution if only because very often the securing of jobs for citizens depends on the employment of foreigners."*

Intelligent Children

There are about 160,000 foreigners working in Austria at present. Quite a large number of them--but particularly their children--will remain in Austria. The resulting demographic, sociological and economic problems were the main subject of a conference ("The Employment of Foreign Workers") organized by the Austrian Institute for Labor Market Policy at Linz University under Prof Dr Herbert Schambeck. The experts' talks form the basis of a new major study about foreign workers by the Ministry of Social Administration. The most recent comprehensive studies date from 1973 and 1976 respectively ("Possibilities and Limits of the Employment of Foreign Workers").

Some inconsistencies in the Austrian policy of integration have been brought up by Dr Kurt Klein of the Vienna Central Statistical Office, who headed the demographic committee at the Linz conference. He states: "On the one hand these people as a rule only receive a work and residence permit valid for 1 year which must be renewed again and again. On the other hand, one cannot get Austrian citizenship before 10 years at the earliest. It is therefore necessary to devote some thought to making it easier for foreigners who are truly willing to integrate to remain in this country."

Finally, problems of integration faced by the children of foreigners working in Austria at present, on the one hand, and questions of cultural uprooting, on the other ("Foreign workers often are in limbo in a cultural no-man's-land between their homeland and the country where they are guests"), were discussed by the participants in the sociological committee of the Linz conference headed by Ernst Gehmacher of the Vienna IFES [Institute for Empirical Social Research].

Integration of foreign workers starts with their children. Special attention is therefore being paid in Austria to the school situation of the little aliens. (To those interested we recommend a study by Ottokar Seifert, "Gastarbeiter in oesterreichischen Schulen" [Children of Foreign Workers in Austrian Schools], Bundesverlag, Vienna, 1978, from which the quotations below are taken.)

Since most foreign workers come from Yugoslavia, a "Mixed Committee of Experts" composed of Austrian and Yugoslav school specialists was founded in Vienna as early as 1974. At the same time, as a matter of principle, the right of foreign children was recognized to receiving instruction in their native tongue wherever this was

*Press Service of the Bundeswirtschaftskammer 18/80

administratively possible. To this are added classes promoting the knowledge of German. In Salzburg--after the Bavarian model--a "preliminary grade" [Vorklasse] was experimented with, attended by children from a group of locations, with primarily the native tongue, but in some subjects also German, being used as the language of instruction until such time as, following the acquisition of a pertinent knowledge of German, they could be transferred to the "normal" school at their place of residence.

As far as intelligence is concerned, the foreign children in Vienna are equal to the Austrian school level. If one takes into account the linguistic and cultural handicaps of these children, it is gratifying to note that after an intelligence test only 23 of 1,464 pupils had to be assigned to special schools.

In order to avoid any kind of school discrimination, in Salzburg so-called "indiscriminate classes" [Bunte Klassen] were formed, for example. The name was chosen because children from all nations are put together indiscriminately with a view to avoiding any kind of discrimination which the label "foreign workers classes" might connote.

In the 1980-1981 school year 1,152,171 "regular" pupils attended Austrian public and private schools, including 1,125,393 Austrians and 26,778 foreigners. An analysis by the Central Statistical Office makes it possible for the first time to examine not only the citizenship but also the attendance of the various types of schools.

Of the young foreigners 12,821 attended elementary schools [Volksschule], 6,620 middle schools [Hauptschule] and 1,814 special schools. Polytechnic courses were attended by 362 non-Austrians. Trade and teachers training schools were attended by 955 foreigners, while higher general and trade schools were attended by 4,206 foreigners.

Of 9,745 Yugoslav pupils, 5,522 attended elementary schools, 2,552 middle schools and 351 higher general schools. Of 6,477 Turkish pupils, 3,727 went to elementary schools, 1,802 to middle schools and 86 to higher general schools. Of 5,128 FRG pupils, 1,436 attended elementary schools, 1,181 middle schools and 1,633 higher general schools. Of 416 pupils from the United States, 123 went to elementary schools, 63 to middle schools and 182 to higher general schools.

In addition to 1,149,868 European children and juveniles, 974 from Asia, 739 from America, 178 from Africa and 69 from Australia attended Austrian schools in the current school year.

The Foreign Workers Employment Law

The Foreign Workers Employment Law of 1975 regulates the admission of foreigners to the Austrian labor market. It provides that an alien can take on a job in Austria only after the employer has received permission from the Labor Office for the job concerned. This permission is granted only if the situation and trend of the labor market justify it and there are no public or overall social interests in the way of granting permission.

In addition it is possible to rule out further admission of foreigners by setting maximum quotas for all of Austria or for individual provinces if this is required for particular demographic reasons or reasons within the infrastructure. The law

also provides that permission for employment in Austria may be limited to foreigners who have entered the country with a promise of permission of employment. The interests of employers and workers are safeguarded by providing for management and labor to participate in numerous measures in the sector of the employment of foreign workers.

The "foreign workers policy," the philosophy of employing and integrating guest workers, can only be viewed as a whole--in other words, neither just from economic nor exclusively from social aspects.

The demographic aspect affects primarily eastern Austria, where young people willing to work are becoming increasingly sparse. As long as unemployed miners and metalworkers from Steiermark and farmers who have fled the rural area of Waldviertel /in the north of Lower Austria/ cannot take on the job of unskilled workers or concierges in Vienna (and it is to be hoped that they never will), not only the Vorarlberg but also the Vienna economy will be unable to do without the "foreign workers."

8790

CSO: 3103/101

ECONOMIC COUNCIL WARNS: DOWNTURN WILL BE WORSE THAN FORECAST

Copenhagen BERLINGSKE TIDENDE in Danish 11 Nov 81 pt III p 2

[Article by Frank Dahlgaard]

[Text] Without further intervention, the unemployment rate will increase during the coming year by 16,000 full-time employees to an average of 258,000 unemployed in 1982. At the same time, the foreign exchange deficit will remain at the present level of 13.5 billion kroner on an annual basis.

This appears from a new shocking report on the Danish economy just issued by the Economic Council. The report is confidential until the meeting next Thursday, 19 November, of the Economic Council, but BERLINGSKE TIDENDE will here bring the main figures and conclusions of the report.

The Economic Council has based its evaluations of the economic development on an unchanged economic policy in the future. It has based its calculations on a rather modest growth rate abroad, an unchanged effective krone rate of exchange, fairly unchanged terms of trade, and a decline of the interest rate internationally of approximately 4 percent during the first half of the eighties. Time rates in the trades and industries are assumed to increase by 11 percent from 1981 to 1982 and by 12 percent in the public sector. In the following years, annual wage increases are assumed to be 10 percent in both sectors. The public purchase of services for consumption is assumed to be at a level of 2 percent annually in the future. Finally, the calculations are based on a slight increase in direct taxes.

Various Figures

On the basis of these assumptions, the unemployment rate of 242,000 this year will increase to 258,000 in 1982 and subsequently drop off slightly to 220,000 unemployed in 1985. At the same time, the foreign exchange deficit will both this year and the next year amount to approximately 13.5 billion kroner, but, subsequently, the deficit will increase sharply to 25.3 billion kroner in 1985. Also expressed as a percentage of the national product, this will be a sharp increase.

The figures of the Economic Council for 1982 are clearly more pessimistic than the latest figures from the government's Economic Research Department, as published in ØKONOMISKE OVERSIGT, October 1981, to the effect that:

The government expects an economic growth from 1981 to 1982 of 4 percent, whereas the Economic Council expects a growth of 2.8 percent only. The government expects a growth in investments in industry in 1982 of 19 percent, but the Economic Council puts this growth rate at 5.7 percent only, and that is even attributed largely to investments in the energy sector. Ordinary investments in industry will continue to drop or will stagnate, the Economic Council says. The consumption and investments in the public sector will increase by 2.5 percent in 1982, the Economic Council states, whereas the government puts this figure at 2 percent only.

The total employment figure will increase by 30,000 from 1981 to 1982, the government maintains, but the Economic Council expects an increase of 14,000 only. While the government projects an unchanged unemployment rate of 241,000 persons, the Economic Council expects an increase in the number of unemployed of 16,000 full-time employees.

On the other hand, the government expects a foreign exchange deficit in 1982 of 15.5 billion kroner, whereas the Economic Council puts the deficit at 13.5 billion kroner only.

Both the government and the Economic Council expect an increase in the private consumption of 2.5 percent from 1981 to 1982, and they also agree on an inflation rate in consumer prices of approximately 9 percent from 1981 to 1982. Both expect four new cost of living increments to be released in 1982.

According to the Economic Council, 32,000 additional persons will be employed within the public sector in the coming year, whereas the number of employees in the trades and industries will drop by 19,000. The Economic Council states that, from 1979 to 1982, the number of employees in the industrial sector will drop by well over 100,000 persons. At the same time, employment within the public sector will have increased by 85,000 full-time jobs.

Four Roads Ahead

The report from the Economic Council contains an interesting calculation in which the development from 1981 to 1990 has been projected on the basis of four different assumptions:

1. Without intervention, the unemployment rate will drop from 9.3 percent of the labor force in 1981 to 7.5 percent in 1990. On the other hand, the foreign exchange deficit will increase very dramatically.
2. If, up to 1990, the foreign exchange deficit is eliminated solely by raising the taxes and duties, the tax rate will increase from the present 47.5 percent to nearly 58 percent in 1990. Such a policy will cause an increase in the unemployment rate to 10 percent in 1990, equivalent to approximately 290,000 unemployed.
3. If the foreign exchange deficit is instead eliminated by improving the competitiveness (devaluations and incomes policy) and by reducing the growth rate in the public sector, the unemployment rate will in 1990 have dropped to

2 percent, equivalent to approximately 55,000 unemployed only. With this policy, it will be **possible** to keep taxes at an almost unchanged level.

4. Another version of the positive policy (item 3) is a somewhat lower growth rate within the private sector and a somewhat higher growth rate within the public sector. Also here, the unemployment rate is being reduced to 2 percent in 1990, but the tax rate will, on the other hand, increase to over 52 percent.

The Economic Council does not conceal that the politicians ought to choose policy No. 3 or policy No. 4 but, above all, avoid policy No. 2.

7262

CSO: 3106/19

ONLY LARGEST FIRMS REPORTED DOING WELL DURING RECESSION

Copenhagen BERLINGSKE TIDENDE in Danish 3 Nov 81 pt III p 3

[Text] The report of the year on the 2,000 largest Danish firms shows quite clearly how hard the recession has hit both trade and industry. It is true that the large enterprises have managed rather well, but further down the ladder, a decreasing turnover is ascertained.

The report on the 2,000 largest enterprises has been prepared by the Technical Publishing House. On account of the increasing requirements from the public authorities for information from the various enterprises, the list is becoming increasingly complete. But, as a consequence, 150 industrial enterprises, which follow the law to the letter and, therefore, report only gross profits and not turnover, have become uprated.

Among these enterprises may be mentioned Lego, Lindo, Løven's Chemical Works, Lundbeck, J. C. Hempel, Co-Ro Food, Otto Nielsen, Thomas Schmidt, Schur Plastic, and Raackmann's Factories.

The 10 Largest Firms

The largest firms in Denmark, measured on the basis of turnover, are:

1. The East Asiatic Company	18.8 billion kroner
2. FDB	12.1 billion kroner
3. Ess-Food	7.9 billion kroner
4. F. L. Smidth	6.0 billion kroner
5. DLG	5.8 billion kroner
6. Lauritzen Concern	5.7 billion kroner
7. Danish Esso	5.4 billion kroner
8. Danish Sugar Refineries	4.7 billion kroner
9. Danish Shell	4.6 billion kroner
10. P & T	4.5 billion kroner

The United Breweries and Superfos have, on the basis of turnover, been removed from the list of the 10 largest firms. New additions are, on the other hand, the Shell Concern and the Danish Sugar Refineries.

Employment Figure Down by 50,000

According to the report, the largest industrial enterprises have, on the average, increased their turnover by twice the rate of inflation, but, further down the list, the increase in turnover drops off to the percentage of the inflation and below that. This is quite in agreement with the decreasing number of jobs in industry, seeing that it is estimated that most of the decrease in the number of employees of 50,000 stems from medium-large and smaller enterprises.

Deficit 500 Million Kroner

"The cause of this development is logical," the work of reference states. The larger enterprises still have economic resources as well as resources of information to draw on. For that reason, exports increased in 1980 by 20 percent, at the same time as mergers and organizational changes were carried through, and areas which were carried on at a loss were eliminated.

Commercial enterprises have since 1977 found it difficult to control their costs--one of the reasons being that they have no longer been able to keep up with the increases in hourly rates. The 100 largest commercial enterprises have thus, as far as their turnover is concerned, barely been able to keep up with the inflation, while commercial enterprises with a turnover of from 200 million kroner and below have experienced a decline in their turnover and profits, and some enterprises have been forced to close down completely.

It is, moreover, noteworthy that the deficits among the 100 largest commercial enterprises, on an average, have increased from 100 million kroner to approximately 500 million kroner during the last year.

The medium-large and smaller enterprises fight for their existence in a domestic market where the purchasing power and the possibilities of investment are shrinking. For, unlike the larger commercial enterprises, these smaller commercial enterprises cannot normally compensate for the loss of turnover in the domestic market by increasing their exports.

Largest Enterprises in Counties

Among the 10 largest commercial enterprises, the turnover has risen by 15.5 percent. If the increase is calculated for the 25 largest ones, the increase in turnover becomes 13 percent, and if the increase in turnover is calculated for the 100 largest ones, the increase drops to 11 percent. Among the 25 enterprises ranging from No. 201 and downwards--the turnover is here approximately 100 million kroner--the turnover has stagnated.

A new feature of the report on the 2,000 largest enterprises is that the report has been provided with a survey of the largest enterprises in the individual counties. This has been done to provide the local suppliers, labor procurement agencies, municipalities with information to update their own data.

DETAILS OF TRADE AGREEMENTS WITH USSR REPORTED

LD031050 Helsinki Domestic Service in Finnish 0930 GMT 3 Dec 81

[Text] Finland and the Soviet Union today signed various contracts worth about 6 billion Finnish markkaas. The share of Finnish exports of this sum is about 4.5 billion Finnish markkaas. The largest deal with the Soviet Union was concluded by Wartsilae. The deal is worth 1.1 billion Finnish markkaas. Wartsilae will sell four vessels and three crane ships to Soviet buyers. Rauma-Repola will also sell ships to the Soviet Union for 600 million Finnish markkaas. Finnstroi Oy today signed an agreement on the additional construction of the second and third stages of the Kostomus mining complex in Soviet Karelia. This contract is worth 750 million Finnish markkaas.

Finnish enterprises will also deliver prefabricated housing to Soviet gas fields and gas pipeline construction sites. Agreements on these deliveries were concluded by Ekengren Osakeyhtio, Huurre-Ureta Osakeyhtio and Tervo Osakeyhtio. The total value of these deals is 1.1 billion Finnish markkaas. In addition Nokia will export cables worth 420 million Finnish markkaas to the Soviet Union. Valio will supply foodstuffs to Soviet buyers. Finland will import from the Soviet Union almost 12,000 cars and other vehicles. The value of the imports is about 1 billion Finnish markkaas. Finland will also import nonferrous metals and chemical industry products.

CSO: 3107/24

GOVERNMENT'S OPERATING BUDGET CONTINUES RAPID GROWTH

Paris LE NOUVEL ECONOMISTE in French 9 Nov 81 p 48

[Article by Sylvain Gouz: "No Change Among the Gluttons"]

[Text] Let's rush things slowly. The budget that has been examined by parliamentary representatives is no exception to this maxim which shapes a large part of the government's action. It contrasts more with previous budgets through the broad range of increases included in it than through credit cuts.

The chief innovation in this budget has to do with the determination to set the economy in motion again and this is illustrated by the high overall rate of increase in public expenditures: up 27.5 percent. The government is thus expanding its field of activity by replenishing the coffers of some ministries, such as the Ministries of Labor or Culture whose reserves have been swelled by 113 and 101 percent respectively. Or by resuming the hiring of civil servants (an additional 40,600), increasing credits for employment by 45 percent and those intended for industry by 52.4 percent. Nevertheless, behind these figures the greedy ministries remain practically the same from year to year. Whether operations or investments are involved, the prize list of top spenders holds no surprises. With the exception of one traditional peculiarity which places the Ministry of Economy and Finance among those heading the list. The explanation: This ministry is burdened with the "general expenses" for the entire government, a sort of common pot which includes all the expenditures that cannot be charged to a given budget. For example, as regards operational credits, the rubric, "general expenses," covers the servicing of the debt (27 billion francs) or expenses relating to the presidency, Parliament and the Constituent Assembly, or social insurance contributions for government personnel, or even subsidies for the public institution, the Parc de la Villette, compensation to the PTT [Postal and Telecommunications Administration] for reduced rates for the delivery of newspapers or funds needed for the compensation of stockholders of firms subject to nationalization.

The same catchall function holds true for capital expenditures listed under "general expenses": In it aid grants for hotel equipment are lumped together with allocations of public enterprise assets and France's holdings in various international institutions.

Because of the need for ensuring continuity as regards expenditures approved during prior years, the celebrated "approved services," which represent 82 percent of the budget, or because of a determination not to improvise reforms, the Finance Act,

beyond even the great masses, has been subject to a certain amount of inertia. An inertia expressed by the renewal of some aid grants for industry, opposed by the Socialists in the past, or by the maintenance of a debatable way of allocating some FDES [Social and Economic Development Fund] loans. Indeed, quite simply by the postponement in principle until next spring — of real fiscal reform. Aside from the general property tax, fiscal policy for 1982 is undergoing little in the way of radical qualitative changes in comparison with the past. Even if the members of Parliament have considerably amended Mr Laurent Fabius' original plan: by providing for various exemptions from the general property tax, exempting those who earn less than the SMIC [Interoccupational Minimum Growth Wage] from income tax, raising the limit of the "solidarity deduction" (which will only become operative beyond 25,000 francs in taxes normally due) or, too, minimizing the effect of the 30-percent deduction on certain general business expenses.

18 Billion for Employment

	Planned, Credits ¹	Increase Compared with 1981 ²
Introduction and training of youths	6.8	74 %
Reclassification, mobility and retention of employment	2.5	28 %
Occupational training (adults)	7.8	33 %
National employment agency	1.5	38 %
Total	18.6	45 %

1. In billions of francs.

2. Percentage of increase in comparison with original 1981 finance act.

Top Operational Spenders (in billions of francs)

Economy and Finance	242.3
National Education	132.7
PTT ¹	92.3
Defense	88
Labor	40
Solidarity and Health	35.5
Transportation	31.6
Agriculture	28.8

Operational credit amounts provided for in the 1982 finance act bill.

1. Supplementary budget not to be financed with tax revenue.

34 Billion for Industry

	Planned Credits ¹	Increase Compared with 1981 ²
General assistance to industry	15.8	156 %
Sector aid grants	7.1	7 %
Aid grants for public enterprises	5.7	25 %
Aid grants for exports	5.8	12 %
Total	34.4	52.4 %

1. In billions of francs.

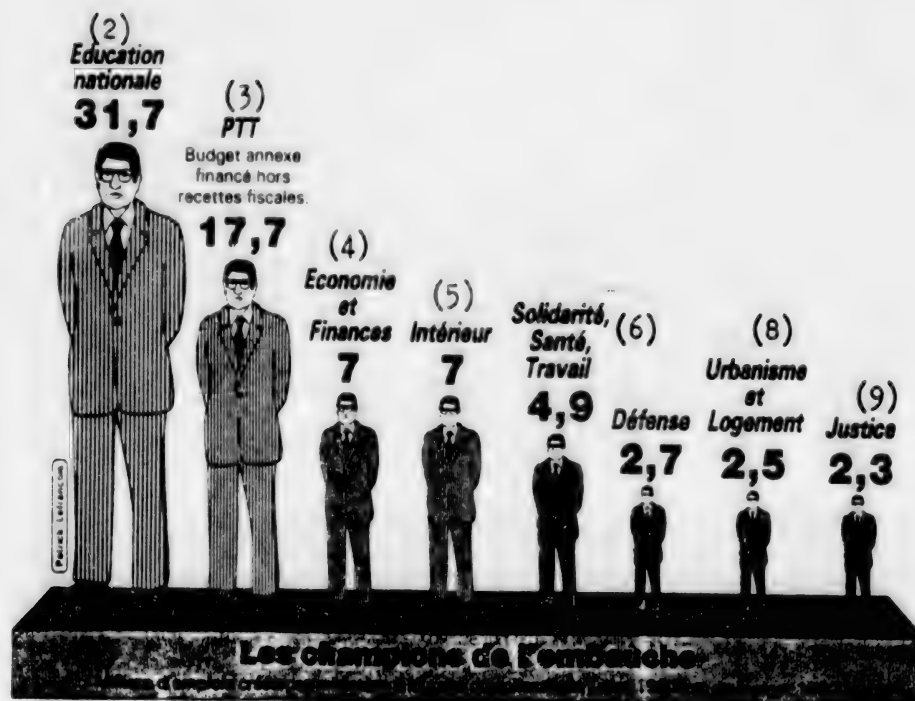
2. Percentage of increase in comparison with original 1981 finance act.

Top Investment Spenders (in billions of francs)

Defense	72.4
PTT ¹	27.7
City Planning and Housing	23.5
Interior and Decentralization	9.7
Transportation	9.6
Economy and Finance	8.8
Research and Technology	8.6
National Education	4.6

Amounts authorized under the program provided for in the 1982 finance act bill.

1. Supplementary budget not to be financed with tax revenue.



Key:

1. Top Employers: In thousands of jobs created by each ministry as a result of the July 1981 collective and the 1982 budget.
2. National Education.
3. PTT: Supplementary budget not to be financed with tax revenue.
4. Economy and Finance.
5. Interior.
6. Solidarity, Health and Labor.
7. Defense.
8. City Planning and Housing.
9. Justice.

11,466

CSO: 3100/119

MINISTRY OF INDUSTRY'S 1982 BUDGET OUTLINED

Paris LE MONDE in French 4 Nov 81 p 34

[Article by Alphonse Théillier: "The Budget of the Minister of Industry: To Support and Develop Private Investment"]

[Text] The Ministry of Industry has just presented its 1982 budget. A large portion of the credits recorded in the budget are designated to assist businesses in the private sector. This confirms the desire of the government to support the activities of these firms, to enlarge the field of their possibilities and to encourage them to export so that they will be able to create jobs.

On the whole, the credits which the departments of Pierre Dreyfus will have will rise to 10,400 million francs, up by half from the 1981 budget. Moreover, the allocations, 8,146 million francs (+22 percent), which will be granted for the benefit of the five large research organizations--CEA [Atomic Energy Commission], CNES [National Space Studies Center], COMES [Solar Energy Commission], ADI [Data Processing Agency], INRIA [National Institute of Data Processing and Automation Research]--recorded in the budget of the Ministry for Scientific Research and Technology, will be transferred on 1 January to the Ministry of Industry which controls them.

The credits which the officials of the Rue de Grenelle [offices of the Ministry of Industry] will have at their disposal next year, fall into two main categories.

1. Industrial policy and technical development. With all the credits combined (program authorization, payment credits, ordinary expenses) the budget line will be 6,653 million francs, around one-third of which is for industrial policy. Apparently, the technological development "policy" is to receive the lion's share. But that remark must be qualified. Under this heading, in effect, will be the allocations planned for the current space technology programs (Ariane rockets), which will absorb a third of the total of the budget line under consideration, and also the programs for the industrial development of the works of the CEA (almost 30 percent of the same budget line).

A "Generalist" Vocation

The exclusively industrial allocations--a sort of strike force so that the governmental desire to encourage businesses, particularly small and medium businesses,

to invest, might be applied--will rise to 2,056 million francs (versus 609 million francs in 1981).

The industrial vocation of France should, according to M. Dreyfus, include all sectors and all branches; it should be "generalist" to quote the minister. Here, the administration is aiming for three targets:

Development of the rich sectors of the future (machine-tools, automation, robotics, bio-industry and pure chemistry) while giving preference to industrial channels;

Support for the traditional sectors (like leather, textiles and clothing);

Assistance for businesses in trouble so that they can make it through a period of crisis.

In addition to these industrial allocations, the minister of industry will also have at his disposition 7 to 8 billion francs which will come to him via the Fund for Economic and Social Development (FDES) and other organizations (charged with managing the product of parafiscal taxes).

One question arises, however: will not the will to be "generalist" lead the departments led by M Dreyfus to scatter their energies and to try everything without great realism? All the more so as the assistance to businesses in trouble--third "target" of the Ministry--runs a great risk, alas, of being very often sought because of the state of the economy.

The firms to be nationalized are not taken into account in this budget. They could be considered thanks to a Finance Bill, the possibility of which is being studied.

2. Energy policy. The set of allocations grouped under this heading is 9,643 million francs (+34 percent), to which will be added 455 million francs (Fund for Support for Hydrocarbons). A large portion of these credits is destined for coal production which, according to predictions, would go from 18.7 million tons--tonnage previously obtained--to 19.2 million tons. An inventory of coal reserves will be undertaken and research for the development of coal gasification will be begun.

Moreover, one billion francs should be spent to encourage energy conservation (+59 percent), notably in households, for which tax deductions are foreseen.

In terms of new types of energy, geothermy is recorded on the budget for 85 million francs (+41 percent); solar and derived energies for 300 million (recorded in the budget of the Ministry for Research and Technology).

Finally, the Ministry of Industry, thanks to the other means placed at its disposition by the budget which will be allocated to it next year, will continue, particularly, to develop a policy of supply in raw materials in the country.

9865

CSO: 3100/108

MARITIME POLICY: COMMERCIAL FLEET, PORTS, SHIP CONSTRUCTION

Paris LE MATIN in French 19 Oct 81 p 6

[Interview with Louis Le Pensec, minister of maritime affairs, by Jean-Gabriel Fredet; date and place not given]

[Text] Louis Le Pensec: "Recapturing the French shipping market is my first objective."

Next December the minister of maritime affairs will present a new plan for ship construction.

Recapturing the domestic market: perhaps no objective in the shipping area has ever been more justified. Transporting cargo under foreign flags costs our balance of payments 3.5 billion francs each year while the capacity of large ports such as Rotterdam, Antwerp and Hamburg deprives our own ports of valuable means of support. Just as in the area of ship construction, this process is not irreversible. That is what Louis Le Pensec, the new minister of maritime affairs, explains to LE MATIN.

[Question] As minister of maritime affairs you are above all else responsible for the French commercial fleet? What condition is it in?

[Answer] First of all you really have to see where we are coming from. We are inheriting a policy marked by a certain decline of the French fleet. The proof? In 1980 our freight and passenger deficit was 3.3 billion francs. This overall deficit hides even more disastrous situations. Thus, in a sector like iron ore transport, or bauxite transport, shipping under the French flag only covers 10 percent of our trade. In the coal area, ships flying the French flag only transport 40 percent of the coal we consume in spite of the 1926 law.

What are the reasons for this disloyalty to the French flag? Of course there is the problem of being in a market which developing countries quite legitimately want to gain. But also there is the heritage of a policy, plain to see, of managing our "business" under foreign flags since that subcontracting was considered less costly. It is that strategy which we wish to question for a threefold reason: the French flag presence, effect on our trade balance, and security of supply. The stakes are considerable since three-quarters of our foreign trade is done by sea.

Therefore, before the end of this year I am going to present a plan for consolidation and expansion of our merchant fleet.

[Question] What will be its main lines?

[Answer] There will be three. First of all a financial objective. We are talking about an investment subsidy granted to shipowners and adjusted according to the kind of traffic involved. This subsidy will also be a function of the efforts shipowners make in the job area. A shipowner who requests our assistance will commit himself to maintaining employment. These measures will be referred to the Merchant Marine Higher Council at the end of the month.

The second objective is organizing "intersectoral" solidarity between shippers and carriers, for example between Pechiney and GGM [probably CGM: General Maritime Company]. These shippers and carriers must realize that they stand together. Therefore, they must organize themselves in order to face up to foreign shipowners and avoid being gradually won over by flags of convenience. From this standpoint the example of the ATIC [Technical Association of Coal Importation] is significant. The strengthening of solidarity and ties can make it possible not only to "lop off" slightly aberrant movements of the market but also to set up conditions for a resumption of orders for certain types of ships.

The third and final objective is defending the French fleet in international negotiations. This parameter must have higher priority. We are talking here about fighting against the unfair competition of flags of convenience; to be more precise, it is a matter of avoiding the competitive distortings introduced by capitalist shippers who use flags of convenience to expand their freight service. The disappointments we are experiencing on the industrial level, owing to "runaway siting" of plants from industrialized countries to Third World or developing countries with the advantage of cheap labor, have been experienced by us in maritime affairs for 30 years with the growing expansion of flags of convenience. A ship under flag of convenience is a little like a Korean or Taiwanese textile plant in our own ports. This is not a good thing, since when one is talking about flags of convenience one is often talking about backward social conditions, inadequate safety standards and pollution risks.

There are no great countries without great merchant fleets. The modernization of our fleet, in which the average age of ships is only 5 years by the way, can completely offset the additional cost of crews. Let me remind you that in January 1982 a large European conference will be taking place in Paris which is going to seriously tack the problems of the standardization of checks on flag of convenience fleets.

[Question] The previous governments seemed to want to concentrate on using the resources represented by medium-sized ports. Will that course be held to?

[Answer] Decentralization must not lead to giving up a justified policy of concentration of large facilities. If 25 percent of the traffic headed for French ports passes through Germany, Belgium or Holland, through Bruges or Rotterdam, it is because our large ports are not yet provided with all the desirable facilities. That is where the great challenge lies. We have to hold our own in this competition. However, one can observe that funds for facilities for large French ports

have been declining in constant francs. Based on a 1973 level of 100, they were at 30 in 1980. Besides, the large ports do not have to be set at odds with the "DATAR [Delegation in Charge of National Development and Regional Action] ports." French-French competition must be avoided. A port is like a lung. You have to see how far it draws breath from and what regions it acts as a nerve center for; the petty game which stealing freight from one port to another would consist of is pretty futile. Some reassignments of traffic can perhaps be conceived of. But it should not be forgotten that a certain critical mass is essential to give rise to large viable facilities.

[Question] What will your policy be for shipyards?

[Answer] From 1976 to 1980 our shipyards lost 20 percent of their jobs. Production went down by 40 percent. This is certainly not a coincidence. We can provide them a plan for substantial use of working capacity. How? First of all, by being more on the offensive on the business level; French shipyards are probably excellent on the technical level but they are not always very aggressive on the business level. That must change. Another way to go is diversification into the off-shore oil area. But this diversification must not be taken to an extreme. Shipyards must above all else continue to build ships. And there should be no shortage of demand. First of all there are sophisticated ships like container ships. But also there is the renovation of commercial fleets made imperative by the introduction of new technical standards, new standards in the safety area, and new energy consumption standards. I might add that the general adoption of 200 nautical-mile zones within which coastal states exercise sovereignty from now on should give rise to demand for a certain type of surveillance craft. In any case, at the end of the year the Ministry of Maritime Affairs will publicly set out its policy in the shipyard area. There will be no question of structural reorganizations. Too often structural reorganizations are a cover for job elimination. Our objective will be consolidation. Besides, the year 1982 ought to be a good one for our shipyards. Their order books seem to be satisfactory from this perspective. One example is that the shipping firm Delmas-Vieljeux, Shippers, has just ordered four container ships from Chantiers de l'Atlantique shipyards. This order represents 4,500,000 man-hours. The investment is 800 million francs.

[Question] Where does the development of our 200-mile economic zone stand?

[Answer] The Brussels negotiations are moving ahead on track. Our partners are gradually agreeing that the waters in which we make two-thirds of our catch really are an integral part of a Community sea. Regarding the high seas, In January 1982 we should be registering an exploration permit for close examination of a 300,000 square km area in the Pacific. In this area we have located metals such as copper, nickel and cobalt, at higher than 4 percent metal content. We are also convinced that the potential resources are enormous since we assess them at 10 kg per square km. But the industrial exploitation phase is still not going to happen tomorrow.

9631

CSO: 3100/100

DOMESTIC CONSUMPTION SHOWS RAPID INCREASE IN SUMMER

Reykjavik MORGUNBLADID in Icelandic 15 Oct 81 p 29

[Article: "Domestic Demand Increased During Year"]

[Text] Figures on sales tax revenue and business turnover have showed quite varied changes during this year. The first months of this year showed a considerable reduction of the revenue and turnover figures, or about 5.5 percent real, based on the cost of living during the first 4 months of the year.

On the other hand, sales tax revenue figures indicate a considerable turnover during May, June and July. During the 3 summer months, the sales tax revenue figures were about 70 percent more, calculated in kroner, than during the same time last year, or about 12 percent more in real value based on the cost of living index.

After this great fluctuation, the turnover of sales-taxed goods and services seems, according to the revenue figures of the State Accounting Office, to have been 3 percent more in real value during the first 7 months of this year than during the same time last year.

In connection with these figures, it must be kept in mind that they only give a limited indication about the development of private consumption and investment, as a considerable portion of the business is exempt from sales tax.

Other figures that give indications about domestic demand are, for example, that import of consumer goods during the first 6 months of the year seems to have been 2 percent more in real value than during the same time last year, but import of investment goods seems to have increased considerably more.

According to information from the petroleum companies, the sale of gas oil for home heating during the first half of the year was about 19 percent less than during the same time last year; and the total sale of gas oil was about 9 percent less, and the sale of black oil 7 percent less than during the first half of 1980. The sale of gasoline increased, however, slightly during this period. It may be mentioned that general electricity use was about 6 percent more during the first half of the year compared to the same period last year.

Finally, information from the Agricultural Production Board about the sale of milk products indicates a similar sale this year compared with last year, but changes in the sale of individual products vary.

TRADE DEFICIT REGISTERS LARGE INCREASE IN YEAR

Reykjavik MORGUNBLADID in Icelandic 27 Oct 81 p 17

[Article: "January-September: Balance of Trade Deficit 540 Million Kroner"]

[Text] The country's balance of trade deficit was close to 540 million kroner during the first 9 months of the year compared with almost 352 million kroner at the same time last year. The balance of trade deficit was slightly over 43 million kroner during September compared with slightly over 26 million kroner at the same time last year.

During the first 9 months, imports were slightly over 5.027 billion kroner compared with 3.404 billion kroner during the same period last year. Exports were slightly over 4.487 billion kroner during the first 9 months compared with 3.053 billion kroner during the same period last year.

The worth of imported goods in September was slightly over 685 million kroner compared with about 391 million kroner during the same period last year. On the other hand, goods were exported for almost 643 million kroner in September this year, compared with almost 365 million kroner during the same period last year.

The major export of the country is aluminum and aluminum alloys which were exported for slightly over 433 million kroner during the first 9 months, compared with 436 million kroner during the same period last year. This demonstrates a considerable reduction. Aluminum and aluminum alloys were exported for almost 64 million kroner during the month of September, compared with close to 75 million kroner during the same time last year.

The Icelandic Aluminum Company imported the most close to 330 million kroner during the first 9 months compared to a little over 258 million kroner during the same period last year. Imports for the National Power Company can also be mentioned, which amounted to about 134 million kroner total during the first 9 months compared with a little over 37 million kroner during last year.

When comparing foreign trade figures for 1980, it must be kept in mind that the average foreign exchange rate during January through September of last year is considered 40.9 percent higher than it was during the same period last year.

9583

CSO: 3111/4

PAPER COMMENTS ON OUTLOOK FOR ANNUAL WAGE SETTLEMENT

Reykjavik MORGUNBLADID in Icelandic 28 Oct 81 p 20

[Editorial: "Dispute Over Wage Demands"]

[Text] During recent weeks leaders of the labor movement have toured the country with their specialists in order to unite people about wage demands during the upcoming wage agreement. The leaders of the Icelandic General and Transport Workers' Union have therefore put the main emphasis on obtaining the purchasing power in this coming wage settlement which was agreed upon in the 1977 settlement. In 1978 the People's Alliance and the Social Democratic Party won the local and parliamentary elections under the slogan of validating the agreement from 1977. Economists in the labor union offices have calculated that about a 6-11 percent wage increase is necessary in order to obtain the purchasing power of the wage settlement from 1977. At the congress of the Icelandic General and Transport Workers' Union this weekend, the ideas of their leadership were based on 11 percent. Gudmundur J. Gudmundsson recommended that that goal be reached in stages; a demand of a 4 percent wage increase be made 1 December this year and increases in stages during the agreement period. This idea of the president of the Icelandic General and Transport Workers' Union was rejected. The majority of the Congress Wage Board recommended, however, that a 13 percent base salary increase be effective during the agreement period. It was then decided that the increases would span 2 years but the interval dates were not set. This proposal was passed by only four votes after many leaders in the labor movement had categorically recommended it and elaborated on the dire consequences if it did not pass.

It is safe to say that moderation has conquered at the congress of the General and Transport Workers' Union. The conclusions of the congress should be studied in a somewhat wider perspective. Only a few weeks have passed since Kjartan Olafsson, vice-chairman of the People's Alliance and editor of the THJODVILJINN, printed in his newspaper that probably there would only be room for a 2 percent wage increase this year. Thorsteinn Palsson, executive director of the Confederation of Icelandic Employers, rejoiced in hearing these comments from the vice-chairman of the People's Alliance, although he doubted that the room for increase was 2 percent. For this reason, TIMINN said in an editorial: "A newsworthy event has taken place, namely that Kjartan Olafsson, editor of THJODVILJINN, and Thorsteinn Palsson, executive director of the Confederation of Icelandic Employers, have, back to back, decided on the range of increase that they consider reasonable in the upcoming settlement." Based on the proposal submitted

by Gudmundur J. Gudmundsson, the People's Alliance MP and president of the Icelandic General and Transport Workers Union, proposing a 4 percent base pay increase as of 1 December this year and the decision of the union's congress not to date the stages in the demand of the 13 percent base pay increase during the next 2 years, it is not unlikely at all that it will be easy to reach an agreement between employers and the leaders of the General and Transport Workers Union during the upcoming wage settlement and that the wages will increase by 2 percent as of 1 December, as Olafsson has aired and proposed.

There is another side to this story, however, from within the labor movement. As was mentioned before, the Icelandic General and Transport Workers Union Congress, which was attended by more than 40 percent of the representatives of the Icelandic Federation of Labor, was divided in two almost equally sized groups. The minority group wanted to make considerably higher demands than the majority. In this minority group are influential labor leaders from Akureyri, Siglufjörður, Akranes, Stokkseyri and Vestmannaeyjar. The Icelandic General and Transport Workers Union wage resolution will be submitted to a negotiating committee of 72 people from the Icelandic Federation of Labor which will hold its first meeting today. On this committee are representatives holding the views that did not win favor at the Icelandic General and Transport Workers Union Congress. What will they do?

The dispute over the wage negotiations is at this stage confined to the labor movement. It is known that the labor movement will not appear as a united body towards the employers. It will become clear, however, in the next few days how many labor unions or large groups of wage earners will reject the so-called togetherness and maintain their demands without any respect for the decisions made by the Icelandic Federation of Labor. Asmundur Stefansson, president of the Icelandic Federation of Labor, seems to have elected to lie low and prefers to deal with technical points rather than being in the line of fire as a policy-making fighter. The demand is heard more and more within the labor movement that he show what he is all about and take a position in a different way instead of explaining the government's economic reasoning. The results of the Icelandic General and Transport Workers Union Congress show that the only way of keeping the Icelandic Federation of Labor united is that its leadership enjoy undivided trust and that this leadership be successful in uniting the different views by compromising in some way.

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BRIEFS

DECLINE IN PUBLIC SECTOR INVESTMENT--The Investment Program and Credit Budget for 1982 forecasts a 6 percent reduction in public projects. The Credit Budget states that the primary reason for this reduction is that many large projects in the energy sector being conducted in stages are now being finished, especially at the Hrauneyjafoss Power Plant and the heating services at Sudurnes, Borgarfjordur and in Akureyri. It is estimated that electric energy projects will be reduced by 8.5 percent during next year and heating service projects reduced by about 32 percent. Energy projects would then be about 46 percent of public projects during the year, but probably will amount to 52-53 percent during this year, whereas they were 47-48 percent last year. It is estimated that investment in transportation projects will be increased by 3 percent next year. Expenditures for road building and bridge construction will increase by 2 percent in real value, but that is based on other projects being unchanged as of this year. For the Post and Telegraph Administration the largest project will be an automatic telephone system in the provinces. The Iceland State Broadcasting Service will build a new radio building. Public projects, especially construction of schools and hospitals, will increase about 6.8 percent during 1982. [Text] [Reykjavik MORGUNBLADID in Icelandic 23 Oct 81 p 17] 9583

PUBLIC SECTOR BORROWING INCREASING--According to the Investment Program and Credit Budget, public borrowing will amount to 2.599 billion kroner, 41 percent of which will be domestic borrowing and close to 60 percent, or 1.5355 billion kroner, will be foreign borrowing. The total borrowing will increase about 39 percent from the current year and it is now estimated that public borrowing will be 67.3 percent higher this year than last year. The share of investment credit funds in administering the credit capital will be 33.2 percent but it is estimated at 29.2 percent for this year, and the share of public projects will therefore drop from 70.8 percent to 66.8 percent. Of the little over a billion kroner which is to be obtained through domestic borrowing, 440 million kroner will be allocated for public projects and financed by issuing savings certificates in the amount of 150 million kroner (90 million kroner this year); 107 million kroner to be collected from the returns of reborrowed savings certificates beyond redemption; through purchases of securities through the banking system and pension funds; emergency insurance is to yield 143 million kroner and "other borrowing" will yield 40 million kroner. Domestic borrowing by investment credit funds is estimated to be 623 million kroner. Of that figure, 476 million kroner will be obtained through the purchasing of securities by pension funds; 52 million kroner is to be obtained through loans from the Unemployment Insurance Fund to the State Housing Fund; the banking system is to lend the Development Fund of

Iceland 70 million kroner and 25 million kroner are to be obtained from the mandatory savings system to be lent to the State Housing Fund. Of the foreign borrowing, 1.3453 billion kroner is to be allocated for public projects and 190.2 million kroner to investment credit funds. [Text] [Reykjavik MORGUNBLADID in Icelandic 23 Oct 81 p 29] 9583

INCREASE IN MINISTER'S PAY--According to the Finance Bill for 1982, the salary for cabinet members will increase by about 115.9 percent or about 2,616,500 kroner and will be 4,873,500 kroner. This is the first time that a salary appropriation, which amounts to 917,200 kroner, is made for four deputy ministers under this item. The salary increase for ministers during the year is therefore calculated to be 75.3 percent during 1982, or 3,956,300 kroner total. The total appropriation to the cabinet increases by 2,726,500 kroner and will be 5,258,300 kroner. The salary item is as mentioned above, but the salary for the four deputy ministers has up to now been included in the allocation to the chief office of the respective ministries. Other operational expenditures for the cabinet will be 384,800 kroner, an increase of about 110,000 kroner, which is in accordance with general price changes, states the Finance Bill. It may be mentioned that the salary item in the Finance Bill amounts to 2.172 million kroner total which is a 39 percent increase from the budget figure of 1981. [Text] [Reykjavik MORGUNBLADID in Icelandic 17 Oct 81 p 40] 9583

CSO: 3111/4

URAL TRANSPORT OPERATIONS EXAMINED

Istanbul DUNYA in Turkish 19 Sep 81 p 2

[Feature article on Cevdet Ural, owner and founder of Ural Collective Company, a large international trucking firm; dates and ages given as printed]

[Text] Cevdet Ural is certainly among the names which first come to mind when international shipping is mentioned. Indeed, with his fleet of 110 TIR trucks, Cevdet Ural has become a leader, a virtual symbol Europe-wide. In other words, it is impossible to imagine shipping without Cevdet Ural. Cevdet Ural had a lot to do with putting Turkish shipping on the international scene. He has virtually pledged himself to this route. He has fought hard against the stigma of smuggling and corruption of Turkish shipping and is one of the few to succeed in wiping out this impression.

The story of Devdet Ural's endeavors could easily fill a book, and, for this reason, we turn the floor over to him, allowing him to introduce himself:

I was born in Akdogan Village in the Caykara District of Trabzon in 1929. My father was in the dry goods business in Trabzon that year.

After finishing primary school in Trabzon in 1939, I attended the Commercial Middle and High School in Trabzon, which was the school closest to my father's business, and finished in 1949. My father took the pilgrimage to Hejaz that year. Though I was only 18, he gave me general power of attorney and left me in charge of his business, the commercial end, banking matters, loans and collections and even real estate transactions.

My father had appointed me his representative during his pilgrimage against the possibility he might not return. But when he returned, he said, "I am not going to stay in business any longer," and wanted me to set up a company for myself. My father was a first-class businessman, dealing in such things as the export of walnut logs and the import of fertilizer and dry goods. I had been keeping his books while I was studying at the commercial high school and worked closely with him. From this standpoint, I had trained myself well at this stage.

In 1950, I set up my own firm as Cevdet Ural. This company was primarily a truck dealership, handling tires and spare parts, and the export of walnut gall and logs which had been my father's business. Originally, our last name, thus the name of our company, comes from the words for buying walnut gall: UR-AL. When the surname

law came out in our Civil Code, my father took this surname. So in this sense, I started out keeping the same occupation going. Meanwhile, though, I also continued in the truck dealership and the spare parts and tire business which were closest to me personally. I expanded the Bussing truck dealership to the eastern provinces. At a young age, I was a first-class businessman in Trabzon. In 1953, I was married in Trabzon. At that time, there were cases in which graduates of commercial high schools were taken as reserve officers, but at the end of 1955, I went to Izmir Gaziemir to do my military service in the transportation preparatory class and, after completing my reserve officer tour in 1956-1957, I returned to my business.

My deputies had run the business during this time. Then, after losing my older brother, who was 10 years my senior, in Istanbul, I took it in my head to open a company in Istanbul also. So my two grown brothers and I set up the Ural Collective Company in 1958. The company started out by buying the place that we now use as a garage. We set up a plastic shoe factory there. After running this factory for 6 months, truck assembly and truck imports were resumed in 1960 and so we threw ourselves back into the truck business which I had had to give up from 1954 to 1960. The Urals sold 25 percent of the Bussing trucks assembled in Turkey. Even though there were 40 agencies in Turkey, we worked so hard--there was a big crisis at that time--that we were able to sell 25 percent by ourselves.

Later, some of the drivers who had bought trucks from us but were unable to pay them off turned the trucks back over to us. Instead of trying to work them at home, we decided to go into international transport in 1962. At that time, import and export by truck still was not organized in Turkey. We started running trips from Germany to Tehran and even Afghanistan. We scheduled loads going both ways. We kept this up until 1969 with the 15 Bussing trucks for which I was the dealer. Meanwhile, a project had come about involving the export of fresh fruits and vegetables. The Trade Ministry and the State Planning Organization issued a release at that time saying that they would supply refrigerator trucks to the international shippers who wanted them. Of the 30 firms that applied, 8 were chosen and ours was at the top of the list. Then the Trade Ministry demanded that these vehicles be imported through GIMA [Foodstuffs and Necessary Articles Corporation]. However, we, the allocation recipients, wished to undertake the importation ourselves, because the proforma invoices had been drawn up, the allocation recipients had been determined and, had we imported them ourselves, it would have been faster and cheaper. But the ministry wanted it this way and we imported these trucks in 1968, paying GIMA a 7-percent commission. I am sorry to say that these trucks which we imported in 1968 were not able to be put on the road until July 1969, that is, after a year's delay. The terms of sale which the government of the time had offered were 40 percent down and 60 percent on credit, but when these were later changed to 100 percent in advance, we, the Urals, were the only ones who were able to do it. My own company bought 10 refrigerated tractor-trailors, but a joint stock company was formed, named Frintas, which bought 130 and these two companies started out alone in refrigerated shipping.

Frintas went bankrupt after 2 or 3 years because of bank debts and closed. We went on, however, and in 1970 bought 12 Fiat tarp-covered trucks. That year, we were selected as Turkey's most successful transport firm and received the gold medal. We were able to win the gold medal for the next 2 years after that also.

In 1970, we paid 1.4 million liras in taxes in Trabzon, our home base, making us the tax recordholder in Trabzon. In 1972, encouragement measures began again. Our firm again contracted a project for 70 trucks, raising the number of our trucks to 80. In the meantime, we removed from service the old trucks which had lived out their expected lifespan. We set up a more modern TIR system and carried on in a successful transit shipping business and Turkish imports and exports.

In 1980, our company again won the gold medal for effecting a foreign exchange savings of \$5 million. The taxes we paid as two brothers in partnership were 24 million liras. This is a Turkish record for a single-interest transport company operating out of one place.

Again, for the 1980 investments, we wanted to carry out a Ro-Ro project with 42 tractors and 100 trailers. We have 20 of these tractors in Turkey already and have opened credit for 8 more. We need credit for the remaining 8 to complete our project, as contracts have been completed for 6 domestic tractors. So, despite our having the 42 tractors, the Ministry of Industry insists that nothing will do for the 100 trailers which the project calls for but that they be domestically built. We are in a difficult situation at the moment because of this, because the Ro-Ro shipping we want to do is not normal freight shipping.

We put our loaded trailers on the Ro-Ro ship at Mersin and they will be taken off by longshoremen at the European ports of Venice and Trieste. The owners of the contents then come and leave our trailers at the discharge point. The ones who will fill them for the return trip get them from there and load them on the Ro-Ro for delivery to Mersin. This is most efficient. This is exactly how they will operate and shipping standards for this are strict and absolute. After the European fashion, brakes, axles, in fact everything from top to bottom, has to be strong and sound to withstand loading and unloading. Unfortunately, however, they want me to make shipments with these local trailers which are made of construction iron, have lifts which do not work, and which start sagging as soon as I load them. The Ro-Ro officials and load owners that I talked to said that they could not load trailers like this. Knowing I would have a big mess if I tried to work like this, I went to the Ministry of Industry and Technology numerous times, but they would not accept my project, so I gave up. There was nothing for me to do after this but go on with refrigerated shipping. However, I own a company which is determined to get Turkey's developing Ro-Ro's in operation and which has worked hard for it. I am now the overland shipper for the Maritime Bank's Maritime Transport Corporation. I had wanted to develop this project because I was closest to the service. I could offer the service right away. The developing Trieste-Venice-Mersin-Izmir Ro-Ro line in my plan is already in the government program and it is possible that I might have some influence also on the Trabzon-Constanta, Romania, or even the Trabzon-Burgas, Bulgaria, Ro-Ro line. Otherwise, if only Bulgarian and Romanian TIR's use those Ro-Ro lines, all the agreements will obviously be to the disadvantage of Turkish shippers and the Turkish state. While I am determined to get 100 vehicles into this business, I have, unfortunately, come up against an intransigent attitude.

Business Life

I own a company in which I have worked in every stage that the business requires. I have survived as a businessman because I know, for example, how a truck is loaded, how the TIR tickets are attached and how it is unloaded, because I have done it all myself. And I also have a knack for the record-keeping end. Since I studied

bookkeeping at the commercial high school and have kept close tabs on the books from the very beginning, more often than not my accountants come to me and say, "How is this transaction supposed to be carried out?" My accountants are advanced commercial graduates and they are happy to have a boss who understands what they are doing, because, as I said, I am familiar with the records.

Also, as a transportation officer in the military and since I have has a truck and spare parts dealership from the beginning, I understand trucking language. I have also been in on many bilateral agreements in Europe. When the first bilateral agreements were made in 1964, 1965 and 1966, I always attended those meetings despite there being very few shippers. Moreover, I am quite familiar with how foreign exchange accounts are kept. Once when I was on a trip to Europe, my foreign accounts officer went into the military service urgently and, I remember very well, when I returned I worked 20 hours a day on our foreign exchange files which had not been completed for 2 months. Yet I have often seen people who do not understand this business go into international shipping haphazardly and end up greatly disappointed. I might say that the greatest factor in my success is my work as a businessman who understands the business through and through.

I have often worked 20-hour days. This surprises everyone, but my normal workday is 12 hours. On Saturdays and Sundays, I tour my garages. I talk with my drivers, listen to their problems and see to the vehicles that have had breakdowns. My drivers even call me often at 2 or 3 o'clock at night from somewhere in Anatolia or Europe to tell me their problems. I am close to all of them. Now I have a branch for Ro-Ro shipping in Mersin. I have another branch in Trabzon. We also have a liaison office in Munich to organize return shipments.

Goals

My goal is to raise international shipping, the most demanding occupation in the world, to the most advanced level, provided by bureaucracy [sic] be of assistance to us. Unfortunately, however, we are confronted by many bureaucratic obstacles as in every period. We cannot be considered to have achieved our goal yet from this standpoint. I would like to point out that one should not believe that the Turkish shipper is more backward than any shipper in Europe. In fact, we have very good, very successful firms in this regard. As a business owner, I know as much about the subject as their present business owners do. I am successful, but, whereas their bureaucracies and foreign affairs officers, commercial attaches and consulates are ready to be helpful no matter what country they pass through, ours, unfortunately, are not.

In particular, we have great difficulties at customs. And this situation is still going on. Let me give you a most vivid example. All the formalities were completed for the 10 new Mack TIR trucks which we recently imported, as we just saw. However, the Istanbul traffic [department] did not accept them because the officer at Kapikule had failed to write down certain letters which were part of the motor chassis numbers and did not give us license plates. After a great deal of effort we got them accepted, but we were unable to use these trucks, a national asset, for 1.5 months. What I am trying to say is that such minor bureaucratic errors put us in very difficult situations. The wheels of our bureaucracy turn very slowly. Every civil servant is able to put us off as he wishes.

We will have attained our goal if we eliminate these things. We would like to see this bureaucracy as helpful to us. Otherwise, shipping carried out under this state of low morale will cause Turkish shipping to fall more behind every day. I would like to say that the Turkish shipper is not weak, on the contrary he is very strong. But, as I said, the bureaucracy is an element holding us back. If the bureaucracy were helpful to us, 100 percent of Turkish import and export goods [as published] and the capacity of transit goods, which is 3 million-4 million tons today, might then rise to 10 million tons. Billions of dollars in foreign exchange would then flow into our country. This is our goal. Actually, our distinguished head of state wants us to achieve this goal also. And we are always ready--after all, we chose this occupation--to achieve this goal, but the bureaucracy, unfortunately, is not yet ready for this goal. If we have been unable to achieve our goal, this is the simplest example.

We now have 110 vehicles, including the ones we recently imported, and 110 trucks is a large fleet for Turkey today, or even for Europe. All we want to do is have Turkish export and import goods and transit goods hauled by Turkish shippers. We are working very hard for this. And our goal is to earn \$10 million in foreign exchange this year.

Personality

You know the Black Sea natives. They are ambitious and hard-working. When I was a child, we spent at least 3 months each year in the mountains. And the corn bread we ate also has a large role in this ambitious and hard-working nature. Corn bread was never lacking from our table until 1950. The result is that we grow up ambitious. Our ambition also depends as much on the blue and green as on the corn bread. There is the deep blue of the Black Sea and endless green of the forests. We have narrow spaces. There are no broad expanses. It is all mountainous. To use my own village as an example, if I may, the fields are tiny. I remember in my youth, and it is still the same today, our village women used to climb 100-150 meters for the produce they got from the field, carrying their baskets with them, because the fields were in very steep places. Because we are in a place where we struggle with nature, the Black Sea people are very ambitious. So they are scattered throughout Turkey and even the world. People from my village have gone to Mus, Hatay, Cyprus. There are a lot of people for a little space. From this standpoint, we lived in Trabzon at first and have been in Istanbul since 1958. The Trabzon native, or more correctly the Black Sea native, is a person who finishes a job he starts. From this standpoint, he is persistent and ambitious. The success of our Trabzon Sports [Club] has to do with this ambition also. The Trabzon man is honest. Though my father was not a refined person, I saw that he was very successful in business, and I learned from him. I especially noticed his relations with Europe. He was very successful in exporting and importing. This was the reason for my working in an international area.

Utilizing Free Time

Actually, it cannot be said that I have much free time. Rather, I have projects that I pursue in my free time. I deal with problems of the Shippers' Association. I prepare reports concerning my business. And I read European periodicals dealing with my business.

In my youth, I played a little football, a little handball and a little volleyball, but I cannot do it now. I just follow the big Trabzonspor [soccer team] matches.

I am involved in some social services. Our town leaders established a foundation, the Caykara Foundation. I am on the administration committee of this foundation. Earlier, I was director of the Caykara Mutual Assistance Association.

I am not a great one for amusement. When I have guests, I sometimes go to musical programs. I don't think much of alcohol. I have never had a drink of raki in my life. I take a light drink now and then because it is necessary at certain meetings.

Family Life

My father told me in 1952 that it was time I got married. However, I thought I would get married after doing my military service, but my father insisted, and I married my wife, Gulgun, at age 23 in 1952. My oldest son, Ercan, was born in 1954. He is now a mechanical engineer. My daughter Juli was born in 1957 and my younger son, Enis Aydin, in 1967. I am a good head of household. I tried to bring up my children to the best of my ability, and I was successful.

I speak enough German to make myself understood. I can get by on my German when I go abroad. I love a good joke, and I do not care if it is on me. In fact, I am regarded as a very pleasant individual because this characteristic of mine is known. When it comes to my money, I spend it very thoughtfully. I am not overly generous because I spend judiciously.

I am extremely careful to keep my appointments. I get upset if someone is late, but I am tolerant because I take into consideration road conditions and traffic jams. I love to travel, and I travel frequently in my work. I used to drive on my trips, but now I fly or even go by bus. I no longer feel myself capable of driving a car under these conditions. It is probably age.

I believe in luck. Luck has a very important role in business life, but one must not leave everything to luck. I am always looking ahead. I delight in my friends. I take extreme pleasure from getting together with my friends. My interests are service and work. I listen with pleasure to all music which is agreeable to my ear without any particular preference as to time [period]. I have a great passion for books, especially on my work and history. I like to read history and historical novels. I read Ataturk's book of speeches twice.

I have no preferences when it comes to food. My wife is a wonderful cook, and I eat too much because of this. Although I am at the age where I should look after myself, my wife's cooking keeps me from doing this, unfortunately.

Finally, I am very grateful to DUNYA newspaper for giving me this opportunity.

8349

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ANTI-EC MOVEMENT: WITHDRAWAL WOULD PROMOTE 'ZONE'

Copenhagen INFORMATION in Danish 2 Nov 81 p 1

[Article by Henrik Heie]

[Text] The Nordic countries as a nuclear-free zone is one of the possibilities opening up at Denmark's withdrawal from the EC, says the Anti-EC Movement, which is strongly opposed to tendencies toward EC involvement in foreign policy and security policy matters.

At the national congress of the Anti-EC Movement held in Copenhagen over the week-end, the proposal to further a nation-wide discussion on alternatives to the EC membership received massive support, but it was stressed at the same time that the Anti-EC Movement will not itself set up an alternative program but will "appeal to the trade union movement, the agricultural organizations, artists, grassroots movements, students, cultural societies, and others to get involved in the debate on the possibilities of alternative policy to be launched."

The national congress discussed, among other things, the enforced harmonization, the transfer of social and health services to the private sector, the growing unemployment, and the threat to Danish cultural life via the European TV satellites.

In a statement it is pointed out, however, that it is not to obtain economic advantages that the movement advocates Denmark's withdrawal from the EC. "We must get out of the EC to get the necessary political freedom of action. While the work within the EC is taking place through enforcements, regulations and economic sanctions, Nordic cooperation will take place voluntarily," the statement says. It is pointed out that the Anti-EC Movement is not a political party, nor does it desire to become that. A proposal to the effect that the Anti-EC Movement nominate its own candidates in political elections was turned down.

Interests of Arms Industry in EC

A number of the groups which discussed the 12 introductory statements for the debate on alternative solutions, raised the idea of a nuclear-free zone in the Nordic countries as a possibility outside the EC.

Else Hammerich, who is a member of the EC Parliament for the Anti-EC Movement, said in a statement, among other things:

"To put it mildly, it is improvident to believe that the EC policy will further the strong wishes existing in the Nordic countries and all of Europe for disarmament and nuclear-free zones. Some of the world's largest arms monopolies are found in the big EC countries. The EC Commission plans to harmonize the weapons production, and the weapons manufacturers exert their pressure far into the EC Commission in order to have new deadly weapons sold. If the EC develops into a big military-industrial complex, it will be difficult to control it, and the interests of the weapons industries will be reflected in the foreign policy and security policy of the EC."

Defense Introduced Into EC

With reference to the decision by the foreign ministers in early October, Else Hammerich added that one of the worst messages of the year was that security policy matters have now become a matter for the EC to deal with. "The wall between the EC and NATO has now become quite perforated, and the chairman and deputy chairman of the EC Commission now state directly that they want defense matters introduced into the EC."

In a statement, the Anti-EC Movement objects to the fact that cooperation in foreign policy matters is being kept secret to the Danish population, demanding that the government either tell the population that it has agreed to an essential expansion of the EC cooperation or that it strongly protest against statements from the chairman and deputy chairman of the EC Commission that the EC must now strengthen NATO by pursuing a defense policy.

EC Pressure on Greenland

In a statement on Greenland, the Anti-EC Movement strongly opposes "the amateurish and unpleasant methods used by the EC to keep Greenland's membership," requesting the government in order to secure Greenland against pressure from the EC to ask the EC Commission and its official propaganda colleagues to refrain from intervening in the Greenland population's own debate prior to the referendum."

Socialist People's Party Member out, Social Democratic Party Member in

In the elections for the executive committee of the Anti-EC Movement of 21 members, the change took place that the representative of the Socialist People's Party, Søren Eriksen, who has criticized Jens-Peter Bonde for taking over the chairmanship of the budget committee of the EC Parliament, was defeated and replaced by Børge Poulsen, elementary school teacher, who is editor of S-DEBAT and represents the organization Social Democratic Debate, which recently became a member.

Kai Lemberg, overall plan chief, non-partisan, obtained most votes, viz. 242, followed by Niels Petersen, Liberal, (235) and Chr. Zastrau, Social Democrat.

After the election, the Communist Party of Denmark has still six members in the executive committee, the Social Democratic Party has four members, the Single-Tax Party, the Radical Liberal Party and candidates without any party affiliation each occupy three seats and the Liberal Party and the Socialist People's Party each one.

7262

CSO: 3106/19

SWISS PAPER SEES GROWING ANTI-AMERICANISM IN AUSTRIA

Zurich NEUE ZUERCHER ZEITUNG in German 20 Nov 81 p 5

[Article: "Growing Anti-Americanism in Austria--In the Absence of Clarifying Statements"]

[Text] Vienna, 17 Nov--On the eve of Federal Chancellor Kreisky's official visit to Budapest one of Hungary's leading newspapers wrote that Austrian foreign policy was showing a positive attitude toward CPSU General Secretary Brezhnev's peace initiatives, while being critical of Washington's foreign policy. The praise contained in this expression of welcome would seem, for all the neighborly friendship, to go somewhat beyond what neutral Austrian diplomacy would like to see. The issue is how it earned that reputation and what impressions were produced which cause foreign countries to gain this image of onesidedness.

Detente Policies

The impression that anti-Americanism has for a long time been lying below the surface and is becoming increasingly apparent has indeed been reinforced lately. However, this impression is gaining in strength more in the press and in certain parts of society than in government circles. Especially the young people--after all, the 30-year olds of today have no conscious recollection of the Soviet occupation--are slowly coming to the conclusion that it is not the USSR, but rather the Americans who constitute a threat to peace in Europe. However, the generation which remembers the occupation era has been so strongly marked by it that it is difficult to imagine that kind of a change in attitude. On the one hand, even among that group there is a possibility of forgetting the basis for our continent's security. An unintended byproduct of the Kreisky government's loudly proclaimed politics of detente is the spread of the assumption that detente is a guarantee for peace, rather than nuclear deterrence.

Lack of Interest

This sort of thinking is partly a function of Austrian attitudes toward its own national defense. There is a widely held opinion to the effect that even today's minimal military defense efforts are exaggerated, useless or superfluous because a massive attack could not be repelled anyway; that the missiles "necessary for effective national defense" should not be acquired; and that today's international conflicts could in any case be avoided more easily by diplomatic means than by a well equipped army. As far as that last argument is concerned, Federal Chancellor

Kreisky is certainly partly responsible for forming that opinion--in a positive sense through his adroit diplomacy, in a negative sense by neglecting the mechanisms which must be available if diplomacy fails.

In comparison with the mass protests in Western Europe, Austria's peace movement is but a pale shadow; only a few thousand people assembled in Vienna's inner city. Doubtlessly, there is much less concern here than is found in countries where nuclear arms are stationed and where more are to be deployed. A PRESSE editorial rightly considers the phenomenon of insignificant participation as a manifestation of Austrian attitude of "count us out," meaning a certain amount of apathy. Beyond that, the church in Catholic Austria has expressed its attitude much more clearly than is the case in Germany and than has been done by the two major political parties which do not wish to antagonize any potential voters. While the Conference of Catholic Bishops approves a pro-peace stance, it also characterizes the opinion that national independence, liberty and human rights must be defended only in a nonviolent way with the understatement "too nonspecific," in view of public opinion. Besides, the Conference warns against partiality and political manipulation.

Kreisky's Ambivalence

On the one hand, Federal Chancellor Kreisky feels that peace movements cannot guarantee peace and advocates a policy of equilibrium; on the other hand he recognizes positive traits in the peace movement--it might, in his opinion, induce the super powers to come to the negotiating table. On the one hand he states to confidants that the Republican government of the United States of America has reached a clearer understanding with the USSR because it took a firmer stance; on the other hand, he does not seem to represent this conviction within the party with

The ARBEITER ZEITUNG's Prejudices

The result is confusion and increasing anti-Americanism, particularly among the younger members of the SPOe. The above cited Hungarian newspaper finds a key witness for its judgment of Austrian foreign policy in the governing party's paper, the ARBEITER ZEITUNG. It no longer criticizes American politics; it either ridicules them or describes them as being conducted by irresponsible individuals. One could argue about the contents of the articles; but the headlines show unequivocal prejudices. One single issue contained the following headlines: "Reagan's Policies Are A Threat To World Peace;" "Haig Is Playing With Fire: U.S. Aid For Revolution In Nicaragua;" "The Threat Of Atomic Holocaust: No Salvation Through Politics Of Strength;" and finally OMB Director Stockman's statement to the effect that Reagan's politics are a "Trojan Horse." Apparently this line had been considered to be exaggerated even by insiders; in a later edition, Haig did no longer "play with fire," he merely "hinted." However, the American President's threat to world peace remained on page one. An interview with SPOe International Secretary Walter Hacker was made into a recitation of current expressions: in it, Hacker talked about the "so-called" twin resolution by NATO; characterized Soviet weapons superiority as pure propaganda; gave his opinion that the more aggressive language was coming from Washington, and that the USSR was justified in considering itself encircled. Hacker is probably not representative of the majority opinion in the SPOe, at least not yet; many of his utterances could be argued against--but until now, no counter statements have been made by anyone.

On the other hand, the governing party's newspaper provided one-half page of column space in its next issue to the representative of the Soviet NOVOSTI news agency for a preview of Brezhnev's visit to Germany. The CPSU general secretary is painted as a wise statesman who, unlike the Americans, gives due consideration to his adversaries' interests. The Karlskrona submarine affair, against which this paper had also protested, appeared to have been forgotten in no time at all. Welcome words seem to count for more than deeds.

One must not overestimate the power of these onesided articles to form public opinion. But they are merely iceberg tips of a mood which has pervaded a great number of peoples' thinking. Resentment against the United States of America (these all-inclusive naggings cannot be dignified with the term criticism) does not yet signify agreement with USSR politics; but the insight that Western Europe owes its freedom to the American presence, including its atomic weaponry, is on the wane. Experienced socialists like military diplomat General Kuntner are attempting to bring these truths home once more to the readers of middle class newspapers. But the politicians have to date shown remarkable reticence.

9273

CSO: 3103/108

PAPER CHARGES EC PRESSURING GREENLAND TO REMAIN MEMBER

Copenhagen INFORMATION in Danish 24-25 Oct 81 p 1

[Editorial by -lip]

[Text] The Danish government has not concealed the fact that it prefers Greenland to remain within the EC. But, officially, the government has also said that it does not want to put pressure on Greenland, and, behind the scenes, no attempts whatsoever in this respect have as yet been ascertained.

The situation is different, as far as the EC Commission is concerned. It, too, says officially that it does not want to bring pressure to bear on Greenland, and this was repeated when EC Commissioner Poul Dalsager met with the Greenland Landsting last week. But, behind the scenes, the commission has tried to enter into the political debate in Greenland indirectly. Concretely, by promising that the EC will be willing to contribute funds to the solution of the housing problem, which may be by far the biggest capital-requiring problem of Greenland.

The promise was made at the request of the Nuuk (Godthåb) municipal authorities, and, during his visit, Dalsager said that the EC Commission is of the opinion that there is a legal basis for entering into the housing construction sector. Although it is barely a year since Dalsager has been a member of the Danish government, he added that he could not conceive of any objections on the part of the Danish government.

However, the Social Democratic government has always opposed EC involvement in housing construction. For one thing, such involvement will definitely mean a considerably greater influence on the economy of a member country. For the other, it is bound to mean heavy costs to Denmark, seeing that the major and costly housing problems are in other EC countries.

It is possible that the government will have to give in and accept such an expansion of, for example, the possibilities of the regional fund, but, in the first place, according to Minister of Greenland Affairs Tove Lindbo Larsen, such a decision has not yet been made, and, in the second place, the

fact that the EC Commission introduces millions of kroner for housing projects into the EC debate, thus seeking to pressure the EC opponents in Greenland to tell their voters that it is a question of either withdrawing from the EC or having their housing problems solved, constitutes clear interference in the relationship between Denmark and Greenland.

At one point, it looked as if the government had decided to agree to the EC game. During her visit to Greenland a couple of weeks ago, the Minister of Greenland Affairs stated that an offer from the government for another 1,000 housing units in Greenland could possibly be financed from the regional fund. But, after further questions, it turned out that the government had decided to stick to its apparently clear-cut line toward Greenland, and it was pointed out that the government, the state, would pay its portion of the financing of the housing construction, regardless of the regional fund.

Depending on the decisions of the Danish government in its EC housing policy, the housing issue in Greenland will be a question between Denmark and the EC. In this way, the Danish government managed to pull the housing issue out of the Greenland EC debate.

The EC Commission thus did not achieve any direct results in its Greenland policy, but the example clearly shows how they tried to play Denmark and Greenland off against one another in order, in that way, to throw many millions of kroner into the scale of the EC supporters in the Greenland debate.

It goes without saying that, primarily, money plays a central role in the EC debate in Greenland, and, while praising the Greenland decision-making process highly, Poul Dalsager managed to add that, in the future, the regional fund will, no doubt, be able to grant still more millions to Greenland.

In particular, the supporters of Greenland's continued membership of the EC, the opposition party in the Landsting, Atassut ["Mutual Cooperation"], have made money the main issue in the debate. It has said, time and again, that Greenland must remain within the EC as long as membership of the EC benefits Greenland financially. It is pointed out that the EC has granted, and still grants, subsidies within many areas of the Greenland economy, ranging from the construction of runways and harbors to subsidies for the development of industry and training within industry.

The Greenland home rule government, the Siumut Party ["Forward"] and two left-wing parties, as well as the trade union movement and the organization of fishermen and whalers, belong to the opposition movement, Anisa (we want to get out), which wants Greenland to withdraw from the EC.

This is an old desire, stemming right back to 1972 when Greenland became a member of the EC although the results of the referendum in Greenland showed a majority in favor of remaining outside the EC.

The chairman of the Greenland home rule government, Jonathan Motzfeldt, said recently, during a 14-hour marathon debate in the Landsting, that the essence of the EC debate was that the Greenland government and Anisa stood for certain principles, whereas Atassut had money in mind.

The principles for which the EC opponents fight have been formulated, among other places, in a statement sent by the Greenland government recently to all the governments of EC membership countries: it is explained in this statement why they want to get out of the EC, and one of the reasons given is: "In language, culture, economy and social structure, Greenland differs from Denmark to such an extent that--despite the formal status of equality within the kingdom--Greenland can never be placed on an equal footing with the rest of Denmark. Therefore, in view of its special regional problems, Greenland cannot either obtain equality of status with the member countries of the European Community."

As far as the money is concerned, the opponents recognize that this is a problem. But they are, at the same time, of the opinion that this problem can be solved, and they guarantee that the Greenland standard of living will not drop. As stated by Lars Emil Johansen in the landsting recently: We were able to manage also before 1972.

Actually, by far the majority of the EC subsidies are compensated through other earnings, and the ruling party in the home rule government, Siumut, has just introduced a shrimp tax which will give the society approximately 22 million kroner.

There will no doubt be other economic measures, but it is sheer nonsense for RITZAUS BUREAU to start entering the EC debate in Greenland with an atrocity campaign, stating by how many percent the local Greenland tax will have to increase. The EC issue in Greenland, of course, has a concrete economic aspect, but it is, first and foremost, a question of the possibilities of Greenland developing its own economy, of itself earning more from its fishery, of shaping its society by itself. There is always a certain risk involved in wanting to decide things for oneself, but there is also a certain amount of dissatisfaction involved in being governed by others, and there are, as yet, no prospects of disaster should Greenland withdraw from the EC. At the most, some problems which must be weighed against the will to solve them.

The opponents have got the will, and they have, for example, shown in 2 years what many did not believe in, that the home rule government could function and ensure an increasingly pro-Greenland development.

7262

CSC: 3106/20

GAUS SPEECH ON GERMAN POLICY, NUCLEAR STRATEGY CRITICIZED

Hamburg DER SPIEGEL in German 16 Nov 81 pp 24-25

[Article: "Dying of Cancer--Because of His Proposals for East-West Germany Policy and Nuclear Strategy, Brandt Advisor Gaus Received a Beating from the Government and His Colleagues as Well"]

[Text] Only last Saturday he was still heartily applauded by his colleagues. His speech on "Social Democrat Peace Policy for Germany" made Guenter Gaus the star of Berlin's SPD Land party congress.

But this pleasant mood dissipated quickly. "Deeply depressed" about the feedback from Bonn, Gaus complained last Thursday: "It is indicative of the status of our political culture that questions of this importance are decided upon by the FRG chancellor and the party on the basis of newspaper reports."

Experienced professional Egon Bahr could come up with only after-the-fact advice in reply to such weighty words: "You should have made sure," he told his friend over the telephone, "that copies of your speech were on certain peoples' desks on Monday."

As it was, many people, with the chancellor in the lead, gave a critique, without knowing the text and context, of Gaus's 32-page manuscript.

Helmut Schmidt referred to a "pseudo-logical line of renouncing reunification." He considered this line of thinking wrong, as it would plunge Germans "into still greater psychological difficulties--difficulties based on the spiritual wounds suffered by this nation as a result of partition."

Within the parliamentary group, the head of the government invoked the example of a neighboring nation: if the Poles had "renounced the goal of reunification" after every partition of their country, he said, "there would be no Poland today."

But Gaus had never suggested that the concept of one nation be abandoned, not to renounce reunification. Said the Greater Germany politician: "We must orient our policies toward the other German state, as far as the outer limits of the constitution and the Karlsruhe Judgment permit it, toward the assumption that within the foreseeable future for which political planning is realistic, there will be no reunification."

If however "at one time or another" a reunification of the two states would come about, Gaus had continued, "the newly constituted state would be entirely different in its internal and external configuration than Bismarck's state had been." There was "no way back" to a German empire like that of 1871, in which the GDR would disappear as a "basically volatile phenomenon."

According to Gaus, the conflict in Social Democrat two-Germany politics is the fact that the nation is still subconsciously being equated with the Reich which ceased to exist in 1945. His proposition: "We must liberate the concept of a German nation from being tied to a unified state, because this is our only means of linking up with a nation concept as it existed prior to 1866." In other words, a Germany which found its identity more in its "culture, history, language" and less in a concrete form of state organization.

One high ranking SPD member thinks that Bonn's ex-representative in East Berlin should have let it go at that; his thoughts, including his proposals for impetus in Greater Germany politics--ranging from mutually agreed upon East-West German summit talks to economic cooperation--would have provided sufficient subject matter for his entire presentation. But then he decided, unfortunately, "to throw in nuclear politics."

That provided ample ammunition for Gaus's critics.

Since he is infatuated with the idea of a Central European nuclear-free zone, he was forced to construct a strategic roof. And that for him means a return to the doctrine of massive retaliation. Says Gaus: "Should the Soviets attack Western Europe in order to extend their sphere of influence beyond East Berlin and Prague, the West would retaliate with its massive American truncheon."

In saying this, Gaus neglected the fact that any massive nuclear retaliation remains credible only so long as the United States retains unequivocal nuclear superiority over the USSR. The amateur strategist nevertheless insists that massive retaliation is the best means of preventing a war.

The present doctrine in force of step-wise retaliation, he maintains, includes the possibility of a nuclear conflict limited to the European area: "Western Europe has bit by bit lost its importance for America as compared with other parts of the world"--with the result that "our respective interests keep increasingly drifting apart."

Counterarming, he says, keeps "further compounding the original mistake. There will be no such thing as a zero alternative. But 200 American missiles are no more disquieting than are 578. Even then NATO will die of cancer."

One of the chancellor's confidants characterizes Gaus's proposal of returning to massive retaliation as being "simply abstruse." Schmidt himself went into greater detail before the parliamentary group: "Massive retaliation means surrender. Nobody could believe that an American government would unleash a nuclear holocaust in case of a Russo-German conflict."

INNER-PARTY TURMOIL, INTER-PARTY ALLIANCES SEEN

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 21 Oct 81 p 3

[Article by Claus Gennrich: "Security Policy and Budget Concerns Lead to Unusual Inter-party Alliances," FDP credibility is at stake, rifts now also in the Union]

[Text] Bonn, 20 Oct--Not only the Bonn coalition but all parties in the FRG are caught up in turmoil this fall. The budget fight in summer was only seemingly resolved through the compromise between SPD and FDP. The postponed effects of the previously ignored difficulties have now come to haunt the coalition. The FDP has to fight for its credibility. The attitude towards the "peace movement," which is directed against Bonn's security policy, now not only splits the SPD and to a lesser degree the FDP also, but within the Union parties [CDU/CSU] fronts are opening up behind which differing interests are aligned. The parties of the FRG are astir with moods, opinions and different views of which way they should go. Connecting lines thus become apparent which cut across all parties. An Apel-Genscher-Kohl triangle has emerged. Arrayed against it are Schmude, Baum and Geissler.

The interpretation of President Reagan's remarks on the graduated risk of a conceivable atomic war furnished a further rallying point for surprising constellations of German opinion. Official Bonn security policy, supported by CDU foreign policy speaker Mertes, considers the "indivisible community of risk" and the "indivisible security" resulting therefrom as the basis of the Atlantic Alliance, which must also be understood as a community of values. The dark feeling that the NATO strategy of a "flexible response" actually takes into account the graduation of conflicts and their containment between the various steps [of escalation] which makes fighting in Europe conceivable without spreading automatically to the American continent, explains the sensitiveness with which--besides Leftist Social Democrats--even conservative SPD politicians, such as Deputy Horn, and leading Union politicians including the chairman of the Bundestag Foreign Affairs Committee, Barzel, react publicly or privately. Although the 300,000 U.S. troops stationed in the Federal Republic, and the fact that the atomic weapons deployed in Germany are American equipment in American hands, represent a guarantee for the doctrine of indivisibility, the observation that "flexible response" does not acknowledge an automatic spreading of the conflict, make Europeans suspicious. However, this invisible demarcation line between Europe and the American strategic umbrella has existed for a long time--ever since total deterrence was succeeded by the "flexible response" as a result of specialization of the weapons systems. But every reminder of this, as just given by Reagan, raises concern in Bonn that opponents of the Federal Government's security

policy might use it in their campaigns against further armament and in their slogans about the transformation of the FRG into an "atomic colony of the United States" (as FDP executive member Borm usually expresses it).

The most tangible subject of Bomm discussions is the budget. Although here the battle line between coalition and opposition is maintained, a change from summer becomes apparent in the handling of new budgetary concerns: It concerns the FDP. In summer, Economics Minister Lambsdorff had been unbending in negotiations with the SPD. Now, however, he still quotes the "turning point" which Genscher in summer had considered necessary, but he lets it be known that he considers possible an increase in net borrowing beyond the amount agreed on last summer. Declining tax revenues due to the economic situation might make this necessary because a deflationary damage to the economy must be avoided, according to Lambsdorff. He recognizes, however, that the "question of credibility" in connection with a net borrowing of 26.5 billion DM "and no more" is of special political weight and "extraordinarily important" for the FDP parliamentary group. Nevertheless, "no possibility should be excluded."

On Tuesday, Lambsdorff ran into resistance in the FDP parliamentary group. Their deputy chairman and FDP budget expert, Hoppe, found agreement with his view that it would not do to defend a debt in the second and third readings of the budget plan larger than in its first reading. "The basic figures must stay"--this demand constitutes for Hoppe and for a large number of the parliamentary group a cornerstone of the FDP political structure. Hoppe is tired of, year after year, having first to invoke in parliament the necessity of holding down spending, and finally having to defend the coalition's move away from these principles. Hoppe had already pointed out in summer the dangers inherent in the compromise struck at that time, because the annual economic reports by experts and institutes, as well as the unemployment figures of November, would probably confirm dire predictions. After Genscher's letter in summer to the FDP parliamentarians in which the "turning point" was mentioned, the FDP could not now switch to an increase in the basic figures without a loss of face. Even FDP budget expert Mattheus-Maier, who stands far to the left of Hoppe in the parliamentary group, has now warned against the "superficially easier way" of raising taxes, or increasing net borrowing, and has recommended savings measures "which one could not decide to adopt when there was a better cash position"

On Tuesday, the FDP parliamentary group had to weigh Lambsdorff's position--that now, apart from savings, the bleak development of the economy and of tax revenues suggests using the instrument of borrowing--against the opinion of a large number of the FDP parliamentary group that the economy needs an air of stability; therefore the new debt level planned in summer must not be exceeded at this time. Lambsdorff's opinion that an economic slump, which might actually be brought on by rigidly adhering to the 26.5 billion DM limit, could be averted through raising the debt by 2 to 3 billion DM, was countered by the question of when the interest burden would become unbearable, and if a further raising of the debt level would not destroy tentative thought of lowering the German interest level. Behind the economic deliberations, the basic question of the FDP's credibility became apparent.

Does the 'Peace Movement' Undermine Representative Democracy?

While budgetary concerns have pushed speculations about the "peace movement" within the FDP into the background, the SPD, and increasingly the Union, must deal with the effects of the Bonn "peace demonstration" upon their own policies. While still

hospitalized in Coblenz, Chancellor Schmidt pointed to the legitimacy of government policy in an article for the BERGEDORFER ZEITUNG. He stressed that the moral claims of the demonstrators must be met with the assurance that FRG peace policy is based on popular will and moral inspiration. Social Democratic Housing Minister Haack accused the speakers of the "peace movements," and thus indirectly, also, their defenders such as Minister of Justice Schmude, of questioning the government's democratic legitimacy. The "peace movement" attempts to undermine representative democracy and to replace it with plebiscitary democracy. This attack on constitutional order is more serious than the assault on security policy, according to him. Apel, also, left no doubt that the Bonn demonstration was a blow against the foundations of security policy and NATO. On the other hand, SPD chairman Brandt signed an "Appeal by European Writers" which indirectly accuses Washington of trying to accustom mankind to the "criminal idea" of a limited atomic war. And SPD Federal Executive Secretary Glotz refused to side with Social Democratic State Minister Corterier against JUSO chairman Pieczek in judging the "peace demonstration."

For some time now, one has become accustomed in Bonn to squabbles within the SPD. The rifts in the CDU, however, came as a surprise. CDU chairman Kohl had stated before the Bonn demonstrations that not all the demonstrations should be lumped together; but that a popular front between Social Democrats and communists was obvious. Right after the demonstration, CDU Secretary General Geissler contradicted the sharp disapproval of CDU speaker von Thiesenhausen and met the "peace movement" half way by pointing out that 400 young people would be invited to the CDU party conference in Hamburg in early November. This, however, had been decided earlier. Geissler aimed at Kohl with his warning against "responding with a sledgehammer" at the "Germany Day" held in Cologne by the Junge Union [Youth section of the CDU]. Union politicians more influential than Junge Union chairman Wissmann dissociated themselves from Kohl's formulation of a popular front; Biedenkopf and Spaeth were among them.

Old differences between Biedenkopf and Kohl came back to mind: Once before, Biedenkopf had caused turmoil with a memorandum against the CDU chairman; he rarely follows Kohl's tactical and strategic lead. Biedenkopf passed judgment on the rationally organized political system of the Federal Republic which leaves no room for aspirations--except through demonstrations. Thereby he may share Brandt's concerns. Minister President Spaeth of Baden-Wuerttemberg may be thinking of his own plans to run for chancellor after the next election, and of the wide spectrum of moods prevalent especially in the Laender. Spaeth's call to speak with the idealists within the "peace movement" resembles the appeal by deputy FDP chairman Baum that the parties should realize that the participation of communists in the Bonn demonstration did not discredit other demonstrators. The motives for statements by Bonn politicians are not always easily recognized: The effort to open up their parties to young voters, and to take serious matters seriously, is sometimes mixed with ambitious tactics of a personal nature.

9917

CSO: 3103/73

'MITTERRAND EFFECT' MAY GIVE LEFT MAJORITY IN PARLIAMENT

Helsinki HUFVUDSTADSBLADET in Swedish 24 Oct 81 p 2

[Editorial by Jan-Magnus Jansson]

[Text] Even though the most recent elections in Finland have shown a trend toward the right, it is possible that the election of a Social Democrat as president could cause a so-called Mitterrand effect, i.e. bring about a leftist majority after the next parliamentary elections, as well, Jan-Magnus Jansson writes.

If, as it is sometimes said, democracy is a method of changing governments peacefully in accordance with the wishes of the electorate, the machinery of Western democracy has functioned with commendable efficiency in recent times. Since the mid-seventies, Sweden, England, Portugal, and Norway have managed to replace left-leaning governments with nonsocialist or even clearly right-leaning ones. France and Greece have replaced long-standing rightist regimes with socialist governments. In the United States, where the rhythm is faster, two power shifts have occurred during the same period: from the conservative administrations of Nixon and Ford to the centrist rule of Carter and from Carter to the Reagan administration, which is dominated by the right.

In several prominent democracies, especially West Germany and Austria, the elections have favored the governments already in power.

In this respect, Finland holds a special position. To be sure, recent years have been characterized by a movement to the right among voters, but as we know this has not been reflected in the composition of the government, with the exception of certain internal adjustments among the governing parties. The broad center-left coalition that we have had in various forms for over 15 years has had no counterpart in those countries that have changed governments during that time. There governments have been formed (with the exception of the United States with its special party relationships) along a strict line separating the nonsocialists and the left.

Do the events of recent years in Europe have any relevance whatsoever for a country that follows its own course to such a high degree? Some people do not hesitate to draw parallels with certain occurrences abroad and they believe the so-called Mitterrand effect will be repeated in Finland following the next presidential election.

When Francois Mitterrand was elected president of France following almost a quarter century of right-center rule, his first action was to dissolve parliament and call for new elections. The voters gave him the mandate he requested: they responded by backing the president with their overwhelming support and for the first time in history the Socialist Party was given a majority to work with.

The question may be formulated as follows: suppose that Koivisto, the clear favorite in all the polls, actually becomes president following an election early next year. What consequences would this have for the majority in parliament? Would the results be the same as in France, namely that a leftist majority would appear in parliament on the coattails of Koivisto? This would certainly be an event that would have more far-reaching consequences in the near future than the question of who will be elected head of state.

The "Mitterrand effect" is something the nonsocialist parties are seriously dealing with. The Social Democrats have no reason to call attention to it, since if they are to utilize even a portion of the success Koivisto presently enjoys in the polls, there must be a considerable crossover of voters from the nonsocialist parties to Koivisto. This crossover will be impeded if the voters believe it will also lead to a leftist majority in parliament.

Of course, such an effect is especially probable if the new president sees fit to dissolve parliament and call for new elections while the same mood prevails that was present during the presidential election. Even if this does not occur, however, the next scheduled parliamentary election (March 1983) is only 1 year away from the probable date the new president will assume office. It is conceivable that the presidential election could have an effect even then.

A certain clue may be taken from the presidential election of 1962 which, to be sure, occurred under exceptional circumstances (the note crisis). At that time, President Kekkonen dissolved parliament for foreign policy reasons and the parliamentary elections were held just before the presidential election on 4 and 5 February, or right between the election of electors and the presidential election.

The result was an overwhelming election victory for the nonsocialist parties (who supported Kekkonen at that time). They received the largest majority since 1939, while the Social Democrats received a record low of 38 seats.

In many ways the 1962 election is an extreme case, but it shows that if the electoral and parliamentary elections are close together they may exert a mutual influence on each other. The parallels with France are not absolute,

however. First of all, in Finland there is nothing to prevent a nonsocialist president from working together with a leftist oriented parliament, or vice versa. The president is not the active leader of the government as he is in France.

Furthermore, the left in Finland has by no means been suppressed in recent years. In France and Greece the left was kept on ice for years. Thus, the election of the left was a natural reaction by voters. Here the Social Democrats have led six governments since 1966 and, along with the communists, have had considerable influence on the policies of the country. For this reason, the left does not represent a regeneration of our policies. The hungry opposition should be found among the right, which has been starving for a decade and a half.

Of course it is true that President Kekkonen, despite his elevated position "above the parties" and although he has favored the left in many situations, nevertheless has had a nonsocialist party and ideological background. In addition, the Center Party with its key political position and its continued intimate ties with the president, has enjoyed power that it now risks losing. For this reason, it is possible that the need for renewal will be made manifest in a political shift to the left, however paradoxical this may be.

The conclusion is that the "Mitterrand effect" is not something that will come of necessity, but it is a possibility in Finland. This is a fact that nonsocialist politicians and voters must take into account during the presidential election.

9336

CSO: 3109/32

LAJOINIE ON BUDGET, TAXES, NATIONALIZATIONS, ENERGY

Paris HUMANITE DIMANCHE in French 2 Oct 81 pp 2,3

[Interview with Andre Lajoinie, president of the communist group in the National Assembly, by Robert Lechene, date and place not given]

[Text] Bills concerning energy and nationalizations, the draft budget for 1982, and the issue of financial resources for government changeover are being presented in concrete form by the government to its parliamentary majority. How are the communist deputies, members of that majority, tackling this issue, taking into account both the real extent of the resources needed and the limits indicated by the vote of the French people on 10 May? Andre Lajoinie, president of the communist group in the National Assembly, replies to HUMANITE DIMANCHE.

[Answer] We have defined our position. It is one with a constructive attitude, without overstatement, but also one that does not give up. We have said that we were accepting the 10 May choices. That does not mean that we are locked into those choices.

Since the question of financial resources to be brought into play has been actually presented, we see it being the stake involved in a fierce struggle. Capital is bringing all of its influence to bear.

We ourselves must also carry out this struggle against this pressure of capital.

[Question] In what way on the parliamentary level?

[Answer] Of course we are part of the majority; we are behind governmental action in which communist ministers participate. Nevertheless, our constitutional right to criticize, propose and amend remains intact. That right must be used for improving bills which are submitted to us.

That is how it is for energy. We are making contributions in the committees, and we are going to make contributions in the debate which begins Tuesday towards defining a direction for energy supply, a direction which, moreover, corresponds to the views expressed by the French president, which is to say ensuring economic

independence. We are doing this based on all the experience we Communists have gained in this area. We are not underestimating the potential of either new forms of energy, or of coal--for which we have often been the only ones fighting--or savings which can be realized.

But we consider that there is one issue which cannot be skirted: the issue of nuclear-generated electricity. We are not letting ourselves be upset by the more or less demagogic currents of opinion on this matter. In this debate we are going to defend what we consider right, which has always been our position, and this, in addition, is even being confirmed in the government's attitude. On this issue we observe an evolution which, although it still has a ways to go, is moving in the direction of our proposals.

Also regarding nationalizations we are going to find ourselves faced on Thursday with bills which are moving in the right direction although it is well known that we would have wished to see them encompass a wider-ranging area. We do not intend to do any outflanking. But within the area defined in this fashion and which was approved of on 10 May, we have to emphasize some important proposals.

Regarding compensation, we do not favor showering money generously on shareholders since we are aware of all the speculation they indulged in.

There is one problem and there are possible amendments on our part regarding the fate of subsidiary companies, in particular those so-called "strategic" ones which play a role in the coherent integration of groups. For the nationalization that we want is for the purpose of ending up with rational industrial development. Since things are not yet absolutely definite on this point, we are going to be insistent about the maximum of these "strategic" subsidiaries being included in the public sector.

We are also going to insist on the rights of workers for we do not want state control, we want democratic nationalizations.

The third great debate which is going to take up a whole month starting 22 October, the budget...

[Question] It is producing a lot of talk and a lot of questioning...

[Answer] This draft budget, within the broad outlines adopted Wednesday by the Council of Ministers, displays some positive aspects, particularly when it is a question of social measures and hiring in government agencies. But, on the one hand, we feel that these measures are still not sufficient: surely there must be more sizable expenditures for creating jobs and for alleviating the most difficult situations, since public funds are also a means for change. On the other hand, it must indeed be said that we are worried by the problem of the revenue projected in this budget. Who is to pay? If it is the workers, as under the preceding government, not only is that unjust since they are already disadvantaged, but you do not get out of the slump since their purchasing power is being jeopardized; if you do not stimulate consumption among the people, you do not stimulate the economy.

Roughly speaking we think that this draft budget asks too much from the workers and not enough from the rich. For us there is some scope in it for proposals and improvements to be put forward.

To go into particulars, tax on revenue must be reduced for the poorest. Now then, if brackets are uniformly raised by around 13 percent, therefore undoubtedly short of inflation, that means that the wage-earners who have the most difficulties will have to pay more tax than the previous year even so. We are going to propose the exemption of the low brackets and, on the other hand, propose returning to 65 percent brackets in order to hit high incomes.

In the wealth tax, which we have greeted as a positive measure, we are seeing a retreat which makes us uneasy. We feel that it should bring in much more and that provisions for possible exemption which favor investment be granted only with a great deal of vigilance and translate in real terms into job creation. We are going to reflect as to amendments with requirements which would give the Treasury [public revenue department] weapons for preventing squandering of funds such as the previous government encouraged.

With regard to the indirect taxes anticipated by the draft budget, we are again going to propose that oil companies, including French subsidiaries of foreign companies who are still not paying any tax, be hit by the special tax--that it be up to them to pay and not the wage-earners who must use their car to go to work.

[Question] Is not this really an opposition stance?

[Answer] Not at all. We are committed within the majority; we have ministers. Along with that there is the concern to create conditions so that real progress can be achieved. We want the change in government to succeed.

Employers and the political right which is at their service, sometimes with back-up from the people who claim to be "left," are doing all they can to prevent this. We are making proposals like these in order to thwart them and to help the new majority. I believe that the budget makes the class demarcations of the policy which must be carried out concrete: what money is going to be left for privileged people? What money is going to be saved for the workers who need it the most?

That just shows how fundamental the debate on the budget, like the one on nationalizations, is, and how concerned workers should feel about them.

9631

CSO: 3100/99

MARCHAIS ON PORTUGUESE IMMIGRANTS, DISARMAMENT, PS POLICIES

Paris L'HUMANITE in French 2 Nov 81 pp 8, 9

[Speech by Georges Marchais, 30 Oct 81, in Lisbon, Portugal]

[Text] Georges Marchais began his speech by recalling the last meeting in which he participated in Portugal: "Seven years ago almost to the day, in this same room, I had the privilege of speaking to you," he said. "It was the day after the April Revolution. I have not forgotten the emotion and the joy which I felt at being among my comrades, friends who had finally emerged from their clandestine struggles and, too often, from the dark prisons of Salazar and Caetano.

"I feel the same joy this evening at being with you again.

"In 7 years, a lot has happened in your country. Reactionary forces, with their foreign allies, would now like to recover their privileges of yore and take the fruits of its victory away from the people's movement. They are violently attacking freedom, agrarian reform and nationalization, and the rights which your country's constitution guarantees to industrial workers.

"But these remnants of history will not be able to muzzle the Portuguese people. This evening I wish to salute the broad democratic resistance movement which is developing in your country. I wish to salute our brother party, the Portuguese Communist Party, and its Secretary-General, my friend Alvaro Cunhal, who has been in the forefront of the fight for the broadest union of popular forces. I wish to salute his influence in the country, the activities of his militants, and the important triumphs he is achieving in defending social progress, freedom, and the independence of his country and peace.

"I know," Georges Marchais added, "how close you feel to the struggles and hopes of French workers. There is so much in common between our peoples and our countries! France and Portugal are both countries which have been plunged into a deep crisis by the domination of capitalism. In France, like in Portugal, the law of profit produces unemployment, the abandonment of the industrial and agricultural assets of our peoples, and all kinds of trouble. In France, like in Portugal, the Haves want to make the workers, peasants, and families of the masses bear the brunt of the crisis of their system.

"But at the same time, in both France and Portugal, increasingly numerous forces are arising and demanding that an end be put to this old order of oppression and injustice.

"This is true in your country, where you have forcefully shown, and continue to show your wish to be free. It is also true in France, where the people, by turning the Right out of office last spring, expressed their wish for change. It is also true in other capitalist countries. Just a few days ago our Greek brothers in combat shook the forces of reaction by affirming loud and clear their demand for a new brand of politics."

Then the Secretary-General of the French Communist Party retraced the changes which have come about in the world recently. He continued: "This is what is at stake in our time. Put an end to this old world of war, poverty, and ignorance fashioned by imperialism, and bring into being a world of justice, freedom, dignity, and solidarity.

"Naturally we know well that the forces of the past will not leave the stage of their own accord. Imperialism, by all the means at its disposal, is trying to preserve its positions, even reconquer lost ground. Thus recently it has tried to cast aside the balance of military forces and achieve supremacy in this field.

"This newfound aggressiveness on the part of imperialism is not a sign of strength. As Alvaro Cunhal recently explained, it would be completely wrong to see in this belligerent attitude the effect of any change in the balance of forces in its favor. On the contrary, it merely reflects its growing difficulties.

"This in no way diminishes the immense danger posed for our world by the arms race and by the appearance of terrifying new means of mass destruction. This without counting the real crime that is committed against humanity by allowing fabulous sums to be swallowed up in the construction of instruments of death, while every year 50,000,000 human beings, 15,000,000 of them children, starve to death.

"This aggressiveness of imperialism is giving rise to great condemnation around the world, as we saw in particular in the case of the indignant reactions to the remarks made by President Reagan as he contemplated in cold blood the possibility of a nuclear war limited to Europe. The forces of peace are becoming more and more active all over our continent. They include, in a broad union, communists, socialists, social democrats, Christians, trade union members, ecologists, and, most especially, young people.

"After the mass meetings that took place in Bonn, Rome, London, Brussels, Madrid, Potsdam, and Oslo, 100,000 Parisians spoke out on the 25th of last October against the installation of new nuclear missiles in Europe, for a universal ban on the neutron bomb, and for balanced reduction of all armaments.

"Naturally we Communists, as men and women of peace, as we fight for a world without armaments and without war, are glad to see the amplitude of these movements which we have contributed to. I should also like to recall that in April of 1980 the communist parties of Europe, meeting in Paris, appealed to youth, and to all men and women of good will whatever their differences of belief and opinion, to join in a common effort for peace and disarmament.

"This is why we say: We must respond to the demand for peace which is being made on every continent!

"We must impose balanced and gradual reduction of all armaments! This is what immense forces are demanding throughout the world: socialist countries, including the Soviet Union; neutral countries; the non-aligned countries; and, likewise, the most diverse social, political, religious, and intellectual circles.

"Finally, negotiations must be started immediately in Europe to achieve limitation and reduction of all medium-range nuclear arms, both American and Soviet!

"We place these goals at the heart of our struggle. We are doing everything in our power to make France play a new role in the world and practice an innovative and generous foreign policy on a large scale.

"We are convinced that it is possible today to checkmate the intrigues of imperialism. We can go forward on the path towards disarmament, co-operation, and friendship among peoples, on the path of national independence and socialism.

"You can count on the French Communist Party to contribute to this!"

The Situation in France

Georges Marchais then explained the changes that are taking place in our country: "A new period in our history has begun," he said. He recalled, without explicitly judging the government's action, that a number of positive steps are being worked out. "Does this mean that all France's problems have already been solved and that the workers have no more difficulties?" he added. "Unfortunately not, comrades. There is still much to be done before this will be true." Mentioning in particular unemployment, rising prices, and working conditions, Georges Marchais stressed the fierce resistance with which the French Right and the great French bourgeoisie opposed every step forward. "There is a harsh class struggle in France now," he said. "Nothing has been lost or won yet. The situation is wide open." As for us, we Communists "are taking into account the results of the universal vote, of the choice which the voters expressed as to the depth and tempo of the changes which should be made. While we are developing our explanations to the workers about the causes of their difficulties and the appropriate means to overcome them, we are doing our best within this framework to proceed with the implementation of the new policy chosen by the French," said the Secretary-General of the PCF.

Returning then to the reasons for the defeat of our party in the election, and to the nature of the Communists' thinking in the framework of the preparation for their 24th Congress, Georges Marchais said that, "in order to achieve the necessary changes, and defeat the maneuvers of the capitalist exploiters, the French workers need a large Communist Party (...). This is why we say that the recovery of the influence of the French Communist Party is a matter which regards not only Communists but the popular movement as a whole," added the Secretary-General.

In conclusion, Georges Marchais retraced the ties of friendship which exist between the PCF and the PCP (Portuguese Communist Party), ties which "have been solidly woven throughout the history of our peoples."

"As we see it," he said, "international solidarity is an integral part of class struggle. Every victory, every step forward made by one people in limiting the field of action of the forces of imperialism and reaction opens up new possibilities to other peoples and thus contributes to the universal work of emancipation.

"This is why our party is proud that it has always done its duty in acting with solidarity to support our Portuguese brothers in the dark hours of fascism. Today, faithful to this tradition, our party intends to develop the active solidarity of French workers with respect to the struggle being waged by Portuguese workers to defend the democratic conquests of the April Revolution.

"You know well that not long ago the Giscard government and the great French bourgeoisie gave its full support to the forces of reaction in your country. An example of this was the enormous encouragement they gave to Portugal's possible entry into the Common Market, without the least thought for the interests of our two peoples. They saw in this a way of attacking the new economic structures born of the Portuguese revolution.

"We have an entirely different view of the relations between our two countries, and we think that the changes which have taken place in France can give these relations new breath. This is why we are in favor of fruitful economic, political, and cultural co-operation, which respects the mutual interests and sovereignty of each people.

"We are guided by the same spirit of solidarity with the workers of Portugal--there are a million of them--who live and work in France. The Right which used to govern France, stirring up violent, racist, and xenophobic campaigns, tried to pretend that these workers, together with their immigrant brothers, were responsible for the crisis our country is going through. The ministers of Giscard d'Estaing, whose name has already been forgotten by history, showered the country with discriminatory laws and decrees.

"Today new possibilities for the future are beginning to take shape. The government has already begun to adopt social measures in favor of immigrant workers. Our party, for its part, intends to continue the struggle for equality of economic, social, political, and cultural rights among French and immigrant workers, for a truly democratic status for immigration in France. At the same time our party will redouble its efforts to enable your compatriots who have emigrated to France to participate fully in the support of the democratic struggles you are carrying out here, in particular at the time of your elections."

Finally, the Secretary-General of the French Communist Party thanked Alvaro Cunhal and the Portuguese Communist Party for their warm welcome and saluted the friendship and solidarity between the two parties and the two peoples.

9855
CSO: 3100/115

PCF DEFENSE OF FISZBIN MATTER, INTERNAL DISAGREEMENT

Paris L'HUMANITE in French 5 Oct 81 pp 1,4

[Article by Henri Malberg, cousin of and successor to Henri Fiszbin as head of the PCF Federation of Paris; member of Federal Bureau and Central Committee, PCF]

[Text] Friday on the radio everyone was thrusting the microphone towards Henri Fiszbin. Saturday morning the press came out with banner headline

There is no doubt about it, the mass media are unable to present accurate information about the Communist Party.

Everything was presented and commented on in the most one-sided way possible, a shocking way to treat the facts and questions which were really at stake.

Their central theme was that Henri Fiszbin and the leaders of "Rencontres Communistes" (Communist Encounters) are nice, democratic, and lucid people who are victims of an anti-democratic and authoritarian Communist leadership.

It is a new version of the combat between saints and demons.

Am I exaggerating?

Our critics state that, firstly, the Secretariat of the Central Committee of the Communist Party, in taking note of the fact that Henri Fiszbin and the others behind "Rencontres Communistes" turned themselves out of the Party, "wanted to put the Central Committee before a fait accompli."

That's all.

But that's absurd.

Because the Central Committee of the Communist Party on the 18th of last September already gave its opinion, in adopting a text which the readers of L'HUMANITE already know and which said:

"The present situation cannot continue. Either Henri Fiszbin and his colleagues renounce their endeavor and decide to defend their ideas within the context of the democratic life of the Party, in the democratic discussion of the 24th Congress--they

are still in time--or they continue their divisive activity, thereby choosing to put themselves out of the Party."

Henri Fiszbin and the others behind "Rencontres Communistes," without even taking time to think about it, rejected the final effort of the Central Committee to get them to respect the statutes and stay within the normal framework of the life of the Party.

The journal they put out reappeared immediately. It was even distributed as widely as possible, to all those--and that is almost **everyone**--who refused to subscribe to it in June.

A series of public initiatives were announced, and a letter was sent to the Party leadership rejecting the Central Committee's position.

Unfortunately there was nothing left to do but take note of the fact that these Communists had chosen the other alternative. That is what the Secretariat of the Central Committee did.

The second idea developed by the media was that the Communist leadership "was punishing political dissent."

That is not true. It is not at all true.

There are no punishments for political dissent in our Party today nor will there be tomorrow. And Georges Marchais' remark, which the press has repeated recently, to the effect that there will be no expulsions for political reasons, remains fully valid.

It is our basic premise that political dissent can exist and that there is nothing dramatic in it. It can happen that a communist, during a period of his/her life, does not share the opinion of the majority of the Party about a given issue or even a policy. Life and struggle are complex, and the right answer is not always obvious until life has shown the way.

What the party does have a right to expect is that an active Party member, in such cases, loyally and retaining his/her opinion, remains in the struggle with the rest of the Party for the Party's policy. And dissent? As the Central Committee stated on 18 December:

"A communist who is not convinced can maintain his/her opinion. But the common struggle based on the majority's choice and decisions already adopted makes it possible to stay together and fight together, and either absorb dissent or modify previously adopted positions."

It can be said that it is the wish to solve political problems by political rather than administrative means which has guided the Party and its leaders throughout the episode of the conflict with Henri Fiszbin and other communists for 3 years.

As for the Federation of Paris--the party which is most directly concerned--they have been able to defend points of view that differed more and more from the Party policy in the Federal Committee, in their section, and in the regional meetings.

Their positions were rejected, but the idea of punishment was never suggested and never will be. Then this fight became public due to the press, the radio, and television. Parisian Communists asked them to stop this public battle. But still no punishment, even though some militants asked for it.

It was when faced with this new unacceptable escalation, the creation of tendentiousness, that the Federal Committee adopted its first sanction: the withdrawal of the leadership.

The third idea of which much has been made was that "the Communist Party leadership wanted to get troublemakers out of the way so that it would be in control of the preparatory debates for the 24th Congress."

Saying that is turning things upside down.

What did the Central Committee really propose to these Communists?

While they were still in time, it said in substance: Stop acting divisively, take your place in the democratic life of the Party and defend your ideas within the context of the democratic discussion of the Congress. The discussion will be broad and deep within the Party, and public through discussion.

In fact it was Henri Fiszbin and the "Rencontres Communistes" group which were afraid of debate. If they thought their ideas were strong, just, convincing, and likely to win over the majority, or at least a large number of the members of the Communist Party, why didn't they agree to stay within the normal life of the Party?

But naturally if they had done that they would have been accepting the democratic counterpart, namely, putting themselves in a position where their ideas might not win, and then they would apply the policy decided on democratically.

Now it is apparently this that does not suit Henri Fiszbin and the other leaders of his group.

Are they so afraid of discussion and of the Party's democratic decisions?

That brings us to the heart of the debate, to the real issue, namely the attempt on the part of some people to impose a de facto situation in the Party: tendentious activity.

How else can we call this structure represented by "Recontres Communistes," which has a permanent organization, a journal, lists of members of the Party, and public initiatives? And what about the enormous support they ask for and get from the media? And in this area nothing has changed, on the contrary.

No, really, no party accepts such practices. It is a question of simple common sense. When people join an organization voluntarily, the minimum that can be expected of them is to apply the decisions of the organization's congress and respect its statutes and rules for its joint activities.

This is even more natural in the case of a communist party, which is a revolutionary party that is fighting for the freedom of workers and for socialism and which is therefore subject to attack by numerous powerful forces.

In sum, the matter is clear. Nobody disputes the right of communists to fully participate in the discussion which the 24th Congress will convene; on the contrary, it is everyone's duty to participate.

It is not the Communist Party or its Central Committee that are trying to turn anyone out. It is the people behind "Rencontres Communistes" who have cut themselves off by refusing to respect the most elementary code of conduct of a party: respect for its statutes.

9855

CSO: 3100/116

RESPONSES TO POSSIBLE INVASION: EXILE, ADAPTATION, CLANDESTINE RESISTANCE

Past, Present National Character

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 3

[Article by Dominique Jamet]

[Text] "The fatherland in danger...." That historic proclamation issued from the rostrum of the Convention by the giants of Year II, made official by the Public Safety Committee, and repeated from every other rostrum between two drum rolls by tricolor-plumed special representatives, was answered by the famous levy en masse. The levy was not so massive, however, that it did not have to be completed by conscription, since there are hardly any enthusiasms that do not go even better with a little constraint, or volunteers who will march to the frontier and go willingly to the end of the world without being encouraged by kicks in their baggage train.

"Volens, nolens," therefore, the armed nation has mounted guard for 200 years--on the Rhine, naturally, but also, of course, on the muddy banks of the Red River or the dried up shores of the Wad Dra--first in blue uniforms, then in red trousers, then in horizon blue, khaki and puttees and, finally, "battle dress," and always without flinching, even though the notion of "fatherland" has gradually ceased to be confused with the boundaries of an empire scattered over three continents and been reduced progressively to the frontiers of a pink hexagon [France] bordered in blue.

At least the national defense policy, the will to defend this country, its soil, its inhabitants, and its national independence--the idea of a France that is higher and more vague than the French who comprise it--had never been called into question. It is certain that if the population had been consulted in 1870 or 1914, the vast majority of the French would, with the enthusiasm that comes from thoughtlessness and patriotism, have accepted or even demanded the decisions that doomed so many of them to death. Again in 1939, their hearts heavy as stones, they bowed to a necessity that they did not challenge. And again, the last time a French Government sent several million young men overseas to wage a phony war that they could no longer classify as holy or dirty, the few demonstrations against recalling the reserve soon gave way to resigned discipline.

But what is the situation today? It is true that the fatherland is in greater danger than ever, but does that danger come only from outside, or is it not now within our very borders and even within each one of us? The recollection of two holocausts--of

two gigantic bloodlettings whose traces are still visible, if not in the French landscape, then at least in every village square--in the memory of every family and in the subconscious of every individual, the strong disapproval that has gradually come to attach itself semiofficially to the last two conflicts in which France participated, the feeling that there is an overwhelming disproportion between the weak forces at our disposal and those that might annihilate us at any moment, the attachment to the very recent comforts now being enjoyed by this old country, which for so long was poor, rough, and rural, the contempt for everything military--in this country where officers dress in gray and hug the walls when they leave their barracks and offices to venture out among civilians again--the disrepute into which the words "courage," "flag," "ideals," and "sacrifice" have fallen, and, lastly, fear, not to mention the existence of a fifth column that is just as active as the fascist fifth column was before the last war--all of that combines to result in the totally new approach to the problems of war and fatherland revealed in our poll, and it is not by chance that pacifism, long suffocated under the shame of Munich and the ensuing collaboration, is rising from its ashes today to send out its long processions in our cities. Neither is it by chance that every time our American allies commit themselves to defend us by every means, a chorus of disapproval and catcalls rises from all over the country.

Tomorrow's Munich

Never before have so many Frenchmen believed that war in Europe was imminent, but how would they face it? No doubt there have also never been so many who would refuse to bear arms, regardless of who the enemy might be. It is true that the French, while failing to reforge their sacred union, at least reveal the violence and persistence of an anti-Arab feeling whose authenticity was obvious enough without this additional proof.

But what would they do if the native soil were invaded? Thirty-two percent of them say they would go underground, 39 percent would go into exile if they could, and 11 percent would put up with any occupier. At least the last-mentioned are honest. Taking refuge in romanticism, emigration, or cowardice--at least the situation is clear. The idea of open resistance is the last thing to occur to anyone. The Ophuls and Harrises of tomorrow--if any remain--will be able to come up with the sequel to "Chagrin and Pity." Everything is in place for tomorrow's Munich.

IFRES Poll

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 4

[Article by Herve Karleskind]

[Text] An exclusive poll by IFRES [French Institute for Economic and Social Research] and LE QUOTIDIEN DE PARIS reveals great concern on the part of the population, 30 percent of which feels that a conflict is likely to break out within 5 years. Thirty-two percent would choose resistance, 39 percent would choose exile, and 11 percent would "adapt to the invader's presence."

The poor turnout for the pacifist demonstration last 25 October--organized, it is true, at the initiative of the CP--is not reflected in the conclusions that can be

drawn from our poll. If they can be believed, 63 percent of those polled feel that war in Europe is "conceivable," and, with great unanimity, most of the age groups line up around that figure, which tends to prove that today the prospect of a conflict is no longer something absurd and that public opinion is becoming more accustomed than in the past to the image of war.

On the other hand, opinions are more divided on the question of how close such a conflict is: 30 percent of those polled think that the war could occur within 2 to 5 years, while 27 percent think it will be more than 5 years from now. Those astonishingly short time limits reflect the public's anxiety, particularly among young people (29 percent) and those in the 36-55 age bracket (32 percent), concerning the next 5 years. Paradoxically, the older people, although more versed in catastrophism, are behind both the younger groups (at 28 percent).

As far as the third question is concerned, the responses are, logically, more spread out. The prime adversary or prime chimera--the Soviet Union--is outdistanced, however, and this is new, by the hypothesis of an inter-Arab conflict--a hypothesis in which Israel, Lebanon, and al-Qadhdhafi will be running the show. The fact is that 36 percent of those polled think that an inter-Arab conflict might mark the start of war on a larger scale, while 23 percent feel, on the other hand, that the Soviet Union has that monopoly. In this connection, the change in people's way of thinking is all the more interesting in that the Soviet monopoly has held pride of place for more than 20 years and that its replacement by the Arab countries is a very recent development.

At 11 percent, the United States comes in as something of a distant loser in this hit parade of warmongers. It appears that the public's support for the Atlantic Alliance is stronger than people would like to think or admit. Lastly, as a matter of interest, the hypothesis of an intra-European conflict confirms the absurdity of such a possibility and relegates pointed helmets and the Siegfried Line to the museum.

The fourth question--asking against whom the public would be prepared to take up arms--shows that 27 percent of those polled would be prepared to take up arms against the Soviet Union--which at this level is still ahead of its presumed competitors--24 percent would go into action against the Arab countries, and 19 percent would do the same against the United States or against our European neighbors.

Paradoxically, the Soviet Union, although no longer looked upon as enemy number one, is still high up on the list in the hierarchy of aversions.

"Collaboration"

It is on the question of a possible invasion of the territory that opinions are most clear-cut: 32 percent of those polled would be ready to fight in the underground--proving that the myth of resistance has penetrated deeply into the public's mind--while 39 percent of those polled would consider exile, and lastly, 11 percent "would adapt to the invader's presence." In the case of the last two responses, the connotation of the words used is all the more important in that it is difficult to distinguish the boundary between, for example, collaboration and cohabitation: adaptation to the invader's presence does not necessarily mean collaboration in the Vichy

sense of the word. The same holds true for exile: there are two possibilities: either one crosses the English Channel and reads messages over the BBC or one crosses the Alps to wait out the war in Zurich. Those two words can cover very different realities.

Question 1: Do you think that a war in Europe may be:

Conceivable	63%
Not conceivable	31
Don't know	6

Question 2: If you think that war is conceivable, is it to be expected:

In the near future (within 2 to 5 years)	30%
In the distant future (more than 5 years)	27
Don't know	43

Question 3: In your opinion, who might be the cause of it?

USSR	23%
United States	11
Inter-Arab conflict	36
Intra-European conflict	6
Don't know	24

Question 4: In case of a conflict, would you personally be prepared to take up arms to defend your fatherland against:

	Yes	No	Don't know
USSR	27%	23%	50%
United States	19	30	51
European neighbors	19	30	51
Arab countries	24	25	51

Question 5: If the territory were invaded, would you prefer to:

Fight in the underground	32%
Go into exile	39
Adapt to the invader's administration	11
Don't know	18

Question 6: We have a holiday on 11 November. What do the French commemorate on that day?

Liberation of our territory	3%
World War I armistice	66
National day in memory of the unknown soldier	7
Don't know	19

The above public opinion poll was taken from 4 to 7 November 1981 using a representative national sample--consisting of 1,000 persons selected by the quota method (sex, age, socioprofessional category, region, and political leanings).

Nation's Patriotism Examined

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 5

[Interview with Raoul Girardet, professor at the Institute of Political Studies, by Bernard Brizay; date and place not specified]

[Text] In an interview with LE QUOTIDIEN DE PARIS, Raoul Girardet, professor at the Institute of Political Studies and specialist in the history of public opinion, explains the picture he has of French-style patriotism.

LE QUOTIDIEN DE PARIS: What is your definition of patriotism?

Raoul Girardet: Any reflection concerning patriotism is both simple and complicated. It is generally thought that patriotism is an immediate given in relation to which it is easy to situate oneself. But in fact, nothing is more difficult than to grasp what a group's degree of patriotism may be, and nothing is more difficult than determining the point at which that degree of patriotism begins to constitute an element of consensus or cohesion in the group.

[Question] Are there several kinds of patriotism?

[Answer] Patriotism can be experienced in very different ways: intensely or in a very secondary manner. But one gets the feeling that patriotism in the France of today is a reality that is widely shared, perhaps as it never has been before. When one looks back to the period before 1914, one imagines a France totally united around the idea of the fatherland. But it must be remembered that there was a percentage of the draftsmen--a much higher percentage than today--who deserted or refused to fulfill their military obligations. Of course, that was the era of great international worker solidarity. Today, all the political parties claim the fatherland as their inspiration, and all of them display the tricolor. And during recent election campaigns, the patriotic theme has been very widely exploited, with each group trying to show that it is more patriotic than the others. The Communists have tried constantly to outdo everyone in the area of patriotism, and the Socialists, who for a very long time were much more reserved on the subject, have done the same. With the exception of a very small minority, everyone in France is a patriot in principle.

[Question] But how can patriotism be measured?

[Answer] By sporting events, as one example. The patriotism of sports newspapers is something extravagant. It can also be measured by the constant references in political speeches: everyone talks about the grandeur and independence of France. But I am not sure that what lies behind the words is a genuine reality that is affective, moral, deep, and likely to mobilize energies.

That is the first comment one can make. It is not enough to note the existence of a certain kind of patriotism in terms of objectively recognized criteria; patriotism must be situated on a certain scale of values that other polls have defined more closely.

[Question] To which polls are you referring?

[Answer] As one example, to a study made while Georges Pompidou was president. It showed that patriotism was much stronger in certain socioprofessional categories--among workers and small shopkeepers, for example--than in the so-called middle-class groups, and that it was also much stronger among Communists and Gaullists than among Centrists and Socialists. And, most interesting perhaps, that it tended to increase with age: that it was much more pronounced in the oldest section of the population than in the youngest. Not that the latter questions allegiance to the fatherland, but it tends to place a higher value on other systems of solidarity--age, for example.

The existence of a common heritage is not enough to insure a consensus. Individuals can be patriotic and still have totally opposing views on critical issues. After all, in 1940 it was possible to be perfectly patriotic while supporting Petain, or one could be perfectly patriotic while supporting De Gaulle. It is very possible to tear each other to pieces in the name of the fatherland.

In a more recent period, many opponents of French Algeria were inspired by real patriotism, while others, on the contrary, supported that cause basically out of patriotism and nationalism. Today, one can be a patriot and support the Atlantic Alliance or be a patriot and support a policy against the Atlantic Alliance.

[Question] Do you see a difference between Valery Giscard d'Estaing's patriotism and that of Francois Mitterrand?

[Answer] If we compare the patriotism of the two presidents, we do not necessarily come up with an opposition. But we nevertheless see two very distinct patriotic sensibilities. The patriotism of the former president of the republic is nurtured very little on history. It is very strange, for example, that in his book "French Democracy," there is only one reference to history. Francois Mitterrand's patriotism, on the other hand, is saturated with history. That in no way means that one is less patriotic than the other. It simply means that their views regarding the national destiny are totally different.

For example, if you take the current president's references to history, you will note that intentionally or unintentionally--whether as a matter of tactics or not (and incidentally, I am convinced that it is for self-interested reasons)--he has a certain view of France's history. One thing shocked me personally in the inaugural speech by the president of the republic: all his historical references practically eliminated one individual--say one like me--and also the majority of the French in French history. We were totally excluded from the national community, because his references were to a tradition which is no doubt entirely honorable but which nevertheless represents strictly a minority in our history--that of the Commune [in 1871] and the Parisian, urban, and working class insurrections that nine-tenths of the French undoubtedly had nothing to do with.

It seems to me that the current president of the republic is falling back into the error of his original environment: that of Maurras-style nationalism, which, in the name of the fatherland, wound up ignoring 99 percent of the French by eliminating all those who were not "good Frenchmen."

PS Patriotism: Words, Deeds

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 6

[Article by Jean-Francois Mongibeaux]

[Text] The patriotism of the Socialist Party [PS] is one of its doctrinal foundations. And Minister of Defense Charles Hernu does not let slip an opportunity to mention that fact (see [the quotations at the end of this article]). In one of his recent works devoted to strategy ("Nous les Grands"), he recalls at length that in this area, the PS has always reacted unanimously at its congresses and conventions since the congress in Epinay-sur-Seine 10 years ago.

But patriotism is a concept--indeed a feeling--that must be demonstrated in action, and responsibility for doing so lies primarily with the Ministry of Defense.

How has that attachment to patriotism been reflected in concrete terms over the past 6 months? The Socialist impetus ought to have manifested itself in two areas: the strengthening of our defense apparatus and the development of civic awareness.

As far as increasing France's defense capability is concerned, what has been said or done, considering that the new government, by the mouth of Francois Mitterrand himself, is expressing explicit alarm over growing Soviet military power? It will be recalled that one of Charles Hernu's first important statements--while on a visit to Tahiti to observe nuclear tests--was an expression of support for retaining 12 months of national military service. While the decision itself was well received, there was controversy surrounding the reason for it, which was to combat unemployment!

Other stands adopted by the minister on behalf of introducing "democratic rights" into the barracks or measures detrimental--apparently--to the institution of military security brought disapproving comments from the military itself when they were announced. It should be noted that the "instrument" that had just been placed in the Socialist administration's hands had in fact just emerged from a lengthy ordeal of setting things in order, notably in its reorganization of the army (better structures, improvements in supplies and materiel and, above all, the cost effectiveness of reserves through the "diversion" system). That effort was reaching its conclusion, but others were to follow close on its heels, basically in connection with the modernization of materiel and weapons.

As we all know, money is the sinews of war--but also of peace. So it has been with the greatest interest that the military--and everyone else concerned about the defense of France--has awaited the Socialist budget. It will be defended tomorrow in Parliament by Charles Hernu, but observers already agree that it is a stagnation budget rather than a growth budget, as some of its originators would like to make it appear.

Fewer Tanks, Fewer Guns

Charles Hernu confirmed yesterday on TV Channel 1 that it will total 123 billion francs for an increase of 17.6 percent, although the civilian budgets are rising by 29.2 percent. Yvon Bourges, former minister of defense, notes (LE FIGARO, 4 November) that the volume of orders will in many cases be less than in 1981. Yvon Bourges says there will be "fewer tanks, fewer guns, fewer rifles, fewer aircraft (25, compared to 52), and less tonnage for the navy in 1982 than in 1981." He adds that the new budget is "incompatible with the requirements of the moment and with the international situation as analyzed by the highest officials in the government themselves."

That being said, it must be emphasized that the new credits, one of whose objectives is "to combat unemployment," as Charles Hernu said yesterday, are totally in line with the tradition followed under De Gaulle, Pompidou, and Giscard d'Estaing in relation to nuclear deterrence (and we recall that Francois Mitterrand long ago condemned nuclear deterrence). These few items of information do not exactly support the attachment to patriotism that the Socialists like to talk about, since they are not providing the Socialists with the means of demonstrating it in a concrete manner if the need should arise.

There remain the statements of intention as far as civic training is concerned. Many projects are in fact to be found in the files of the minister of defense on the subject of an interesting "citizen-soldier" ("Soldat-Citoyen," Flammarion, 1975). But nothing noteworthy has been done in this area to date. Not even "a contrario," since the ministry has apparently not officially announced its opposition to the free circulation in our secondary schools of a work (see LE QUOTIDIEN DE PARIS, 27 October) regarded as antimilitary, if not antipatriotic.

Charles Hernu: "The Socialists are patriots and internationalists."

"Whether we are talking about the writings of Jean Jaures, Leon Plun, Francois Mitterrand, or many others--such as Andre Philip and Guy Mollet--or, lastly, the "Socialist Plan for the France of the 1980's," they all prove that for the Socialists, it is fitting to be both 'a patriot and an internationalist.'" (Charles Hernu, "Nous les Grands," Fernand Galula Publishers, 1980, pp 18-19.)

"The Socialists are patriots. At the Socialist Congress in Metz (1979), Francois Mitterrand exclaimed: 'Memory is revolutionary'.... Patriotism today means awakening our country from lethargy and being active: active anywhere (party, labor union, neighborhood associations, and advocate groups)." (Ibid., p 21.)

"Our patriotism is not abstract. It is exercised in a nation which is the one where we were born, which I find quite simply a good thing, and that nation is France. Certainly the nation--and this includes ours--is not an end in itself, and that is why I am not and we are not nationalists." (Ibid., p 24.)

PC Patriotic Claims

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 6

[Article by Jean-Yves Boulic]

[Text] The Communist Party drapes itself with equal equanimity in the tricolor or the red flag and marches with the same lively step to either the "Marseillaise" or the "Internationale." Is that not the best proof that patriotism and internationalism can go together?

In any case, no political militant is more touchy on the subject of patriotism than the one belonging to the PCF. To those who have the audacity to recall the German-Soviet pact and the fact that the party's entry into the resistance coincided with the invasion of Soviet territory by the Wehrmacht in June 1941, the Communists retort that individually, they did not wait for that invasion before joining battle with the German invader. And in the case of some of them, that is true.

Like Thorez, they denounce "the outrage to the memory of the 75,000 Communists who died for France and freedom." That makes a lot of dead people, if we accept that the total number of French citizens shot was 29,660. And in any case, none of that can make one forget completely certain articles in the clandestine L'HUMANITE, an example being one that appeared on 13 July 1940: "Friendly conversations between Parisian workers and German soldiers are increasing. We are glad of it. Let us get to know each other. When one tells the German soldiers that the Communist deputies were thrown into prison for defending peace, and when one says that in 1923 the Communists rose up in protest against the occupation of the Ruhr, one is working for Franco-German fraternity." And on 18 March 1941, in the same clandestine L'HUMANITE, Maurice Thorez and Jacques Duclos wrote: "The movement by people like De Gaulle and De Larminat--basically reactionary and antidemocratic--is also aimed at nothing other than depriving our country of all freedom in case of a British victory."

Two Loves

That being said, it is obviously not in terms of Germany that the PCF's patriotic ambiguity can be highlighted. And least of all Chancellor Schmidt's Germany, one of Georges Marchais' pet hates, despite those nice pacifists over there. No, France's great rival in the hearts of French Communists is, of course, "the fatherland of socialism," the Soviet Union. Paraphrasing Josephine Baker, they could just as well sing: "I have two loves: Red Square and Paris." Leon Blum had his own very special way of describing the phenomenon. He used to say: "We combine in ourselves French patriotism and an internationalist patriotism, while our Communist comrades combine in themselves French patriotism and Soviet patriotism." The PCF can repeat as often as it wants, and as it has done for decades, that "French Communists take neither orders nor pay from Moscow," but the suspicion remains and is certainly revived by many circumstances, the most significant recent occasion being the support given by Georges Marchais in the Red capital to the invasion of Afghanistan 2 years ago.

In his book "L'Espoir au present," the PCF's secretary general--who does not exactly symbolize the patriotic spirit of the resistance--finds only quite unimaginative

words with which to talk about his country, despite a promising chapter title ("I believe in France"). He writes: "It is the only country to be bordered by the North Sea, the English Channel, the Atlantic, and the Mediterranean. Most types of relief are found here,... Generally temperate, the climate presents a great variety of subtle differences. The land is remarkably watered thanks to well-supplied rivers and streams...." That certainly lacks lyrical quality! Fortunately, he can always call Aragon to the rescue by quoting these lines from 1943, which apparently have stuck in his memory:

"Fatherland to the dove and eagle alike,
Inhabited by daring and song,
I salute you, my France, where the wheat and rye
Ripen in the sun of diversity."

To each his own style and historical context. Several years ago the French Communist Party found a patriotic formula which is neither poetic nor esoteric, but which is after all effective in its soberness: "Produce French."

War in Europe

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 7

[Article by Marc Dufresse]

[Text] While it is not possible to state that the world is on the brink of a conflict, it is obvious that the idea is in the minds of many. Is it an orchestrated fear?

In the opinion of 63 percent of the French questioned in our poll (see [the poll above]), a conflict in Europe has become a perfectly conceivable hypothesis. Not to say probable, since a majority (30 percent) of those polled even feel that the hostilities could be unleashed in the very near future--within 2 to 5 years.

It is difficult to judge the impact on this poll of the polemics that have been underway for several weeks both in Washington and in circles close to NATO concerning precisely the possibility of a limited nuclear conflict in Europe. We are all familiar with those polemics.

In the United States, the most authoritative officials--Secretary of State Alexander Haig, Secretary of Defense Caspar Weinberger and, most important, President Ronald Reagan himself, who ignited the powder keg--have stated publicly that a war is now possible on the European continent but that it would not necessarily lead to a nuclear apocalypse threatening the survival of humanity.

It is an old quarrel and an ancient debate, since it dates back to the 1960's--in other words, to the beginning of the nuclear age.

Before 1947, which seems to be the key date, the "all-or-nothing" theory seems to have prevailed in both the West and the East. Any attack, no matter where it came from, would be met by the country attacked--provided that it had the means--with massive reprisals: by salutes that would sweep down on the attacking country and

destroy for many years to come, if not forever, its human, economic, and industrial potential. That was the terrible "anticity" strategy: pure deterrence. It was the strategy that inspired General De Gaulle to set up the French strike force based on a simple idea: France does not expect to win a war against a major power--in this case, the Soviet Union--but it is saying to every potential aggressor that the price is too high, even if it ends in the total destruction of the French entity.

Flexible Response

From the end of World War II until the mid-1960's, we lived with that postulate, and Europe was convinced that the balance of forces, because it was definite, would preserve peace. And with the exception of France, which had its own deterrent force and withdrew from the integrated command of the Atlantic Alliance, Europe rested tranquilly--or almost--in the shadow of the American "umbrella."

But on both sides--in the East and the West--technology was developing rapidly. Advances in computers, miniaturization, and stockpiling permitted the production of nuclear missiles that were easier to handle and more accurate, but whose destructive power was also less. Those were the tactical weapons. And the neutron bomb was already taking shape. Technological changes naturally led to changes in strategy, and the "all or nothing" of the early days was slowly being replaced by a new doctrine known as flexible response. It was 1967.

"Flexible response" means that the response will be proportionate to the attack. If the opponent unleashes a total conflict right from the start, then the response will also be total, and the result will be worldwide nuclear war. But if the opponent launches a limited attack--even nuclear--then the response may also be limited. That explains the development of tactical weapons that we have witnessed in recent years. That doctrinal change in strategy has not failed to provoke polemics and quarrels in Europe, where the fear is that holes will gradually develop in the famous American "umbrella." Moscow and Washington might spare each other, but Berlin, London, and Paris might be destroyed in the process.

Millennial Fear

The quarrels provoked in recent days by the American statements are in fact only a revival of a controversy that is already old.

The only new factor is the East-West tension resulting from the invasion of Afghanistan by the Red Army and the threats hanging over Poland. It is giving new substance to European fears, all the more since the Soviet SS-20's have broken the nuclear parity between the USSR and the United States. Basically, however, the facts in the case have not changed, and to those complaining loudly that the United States is abandoning Europe, it is easy to respond by saying, as Caspar Weinberger did, that the United States maintains 300,000 G.I.'s and their families in Germany--that is, on the front line. They constitute just that many hostages to prove that Washington cannot remain neutral if there is Soviet aggression in Europe.

There remains, of course, the unknown quantity represented by the rise of pacifism orchestrated by Moscow and its allies--a pacifism which, by turning rapidly into

neutralism, threatens to open the free world's doors to the Soviets without the latter even having to batter them down.

The fact remains that these debates, which are too technical to be grasped by the general public but in which the word "war" resounds and thunders insistently, are not designed to reassure the public, which in most cases is already concerned about its own personal future.

Unless one plays the oracle, it is no more possible today than yesterday to say that the world in general or Europe in particular is on the brink of a conflict. What is certain is that people think it is. Is it a millennial fear in the long wait for the 21st century, an orchestrated fear, or distress at the thought of an uncertainty measured in megatons and incomprehensible to common mortals? That is a question that cannot be answered by polls, which can answer only by looking at the reasoning, or lack of it, in individuals, and not at their inner conscience.

Pacifism Analysis From Poll

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 7

[Article by Jean-Noel Jeanneney, professor at the Institute of Political Studies]

[Text] In my view, this poll calls forth three principal thoughts. A survey of public opinion expressed in figures certainly represents progress over what we can learn today from the press and the Munich accords. The very principle of this type of survey is useful in learning about public sensitivity to the subject of the fatherland and the possibility of war. In short, the poll lets us know in advance how public opinion would react during a war.

More broadly, one can note that two earlier periods--before 1940 and before 1914--were marked by an upsurge of pacifism, particularly in The Hague in 1899 and 1907 and before 1940 at the time of the Munich accords. In this field, the press is a poor teacher, since the tone of the newspapers--with the exception of L'HUMANITE and L'EPOQUE--was uniformly in favor of those accords. The first polls of the period, taken by the just-beginning IFOP [French Public Opinion Institute], show that more than one-third of the French were ready to fight for Czechoslovakia. To make another comparison, the 1912 survey on "today's young people" that was signed by someone using the pseudonym of "Agathon" noted a revival of nationalism, but even today it remains quite controversial. Because of that, it can be seen that the present figures provide a more accurate reflection, but also one that is more "bare" if they are not rounded out by interviews or statements: how can one avoid doubting the interpretation given by the public to words like "exile" or "adaptation"?

The second thought aroused by this poll--this time from a comparative standpoint--is that on reading the figures, one notes that public opinion demonstrates a certain sense of history: the 36 percent of those polled who think that an inter-Arab conflict might mark the start of war on a larger scale are unconsciously reproducing the Balkan pattern which marked the start of World War I. One notes in the Near East today a contemporary counterpart to the Balkans, with the same great wave of passions, the same nationalist feelings, and the same economic rivalries. The powder keg is clearly to be found there and not in a frontal attack.

Either Flight or Resistance

The third thought concerns the behavior of public opinion at the thought of war. It reflects an interesting fact, which is that very few people are ready to "lie down" in front of the enemy. If we are to believe the figures, people would choose either flight or resistance. That choice explains in part the weakness that can also be explained by the fact of the French strike force, a phenomenon unknown at the time of the "Ridgway go home" movement in 1952.

But on reading those same figures, one notes that the 39 percent who are candidates for exile are very numerous; such a figure would surely not have been obtained before World War II. It reveals a new fact: our awareness of the world around us is much stronger today than it was before the war. Another explanation is that the phenomenon of the Soviet dissidents cannot fail to have an effect on public opinion.

We also find edifying examples behind that will to flee--London and Baden-Baden--but we also find the old adage from the Korean War: "The Russians are coming; let's get the hell out of here!" The value of exile in this case is therefore very difficult to assess because of its ambiguity. Another ambiguity, in conclusion, is that involved in the figures produced by any poll.

General Mobilization Scenario

Paris LE QUOTIDIEN DE PARIS in French 10 Nov 81 p 8

[Article by Jean-Francois Mongibeaux]

[Text] We can disregard the possibility of a nuclear war, since that would settle all supply problems, but a conventional conflict would create monstrous chaos throughout the country.

Beyond the obsessive fear it generates, the threat of a war in Europe is hardly giving rise to any serious predictions. Without going into a discussion of the various scenarios that would be touched off by a conflict affecting France--or even by a heightening of tension--is it possible to imagine how our armed forces--and our population--would react if a conflict started? Let us leave aside the hypothesis of a nuclear conflict (deterrence is supposed to preserve us from that, and if nuclear missiles were to touch France, we would be entering the unknown) and try to imagine the worst.

"At exactly 2145 hours, the inexorable 'tracks' on the radar screens crossed the Iron Curtain and entered the FRG. A few moments later, the first bombs fell on Nuremberg. North of Strasbourg 10 minutes later, either aircraft or missiles appearing out of the night set ablaze the Reichstatt refinery and the South European pipeline, which carries petroleum from the Mediterranean to the Rhine regions." That is how the war starts, at least the one imagined by "Francois," the pseudonym of an officer in the French Regular Army ("La Sixieme Colonne" [The Sixth Column], Stock Publishers).

His novel, like so many before it, brings us right into the action. And into consternation. Because like the other authors, Francois is not especially optimistic about France's ability to resist either the Russian attacker or the "internal enemy."

His "novel" is all the more disturbing in that it says out loud what many officers--especially young officers--are thinking. Faced with aggression from the East, the president calls his government together in the bunker and announces: "Gentlemen, the time has come for me to pass on to you what the U.S. ambassador told me this evening: the United States will not go to war!" Is nuclear deterrence to be put into action, at least on the tactical level? The president summons the Soviet ambassador to issue a warning.

But the ambassador says with a smile: "The French strike force is not very dangerous to us. Of course, your divisions could use their Plutons. But you know as well as I do that they aren't worth anything. They make noise, but don't have any effect.... As for the strategic forces, very few missiles would reach Soviet soil. We have the means to neutralize them. Thanks to our agents in the Fabiew and Beaufils networks (Editor's note: men tried by the State Security Court in 1978), we have known for years about the operating and launching system for your nuclear missiles--the ones at Albion and those on submarines at Brest."

An exaggeration? No doubt, but the fact remains that the scenario imagined by Francois is among those--the failure of nuclear deterrence, sabotage, and a disruption of mobilization--causing the most concern to Allied staffs. Because it is certainly credible.

When it is realized that the Soviet Union (which continues to be called the "potential aggressor" at social gatherings) possesses 350 commando groups especially trained for sabotage missions in Europe (they all speak French) in which they would act independently of its hundreds of armored and motorized divisions, and when one realizes that even under "textbook" conditions, the organization of mobilization in France would experience serious difficulties, not to mention--as Francois and many other experts do mention--surprise attacks by the "sixth column," one can only shudder at the thought of a conventional attack on French territory.

Exodus and Panic

It is true that our armed forces have 14 active divisions whose value is not to be questioned, as well as 15 reserve divisions that are now in the process of reorganization, but what can those 300,000 or so "operational" men do against the extraordinary firepower of the Red Army, which is at least four times as great in the conventional relationship?

And in all likelihood, those French divisions could not be lined up fast enough. Unfortunately, that is to be expected, considering the logistical problems of a general mobilization. The legal texts governing mobilization are extraordinarily complex and scattered, as are the authorities who will have to put them into effect.

Let us take just the example of the Ministry of State for Transportation (which is in the hands of a Communist; see LE QUOTIDIEN DE PARIS, 27-28 June and 3 July). According to a symposium held a year ago by graduates of the ENA [National School of Administration] on the topic "France in the face of the danger of war," one expert pondered at length concerning the possible solutions to the problems of "a massive exodus and panic" in case of mobilization: "Considering the traffic problems that

arise on just an ordinary weekend in the spring, what police measures will be available for closing off the routes reserved for military transportation and, even more difficult, for preventing a general standstill in the urban areas?"

Later he said: "Is not the widespread electrification of the railroad a factor for extreme fragility in the rail system, which could be brought to a total standstill by well-concentrated destruction in a few locations?" All of those questions, and many others as well, face us tragically. And one hopes that the answers clearly given by novelists such as Francois--capitulation and collaboration by a portion of the population--will not be the ones inflicted on us.

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MAUROY ADDRESSES IHEDN ON DEFENSE POLICY COHERENCE

Paris NOTE D'INFORMATION in French No 81, 14 Sep 81 pp 3-14

["Text" of speech by Prime Minister Pierre Mauroy at the opening session of the 34th class of the Institute for Advanced National Defense Studies (IHEDN) in Paris on 14 September 1981; published by the Service d'Information et de Relations Publiques des Armees.]

[Text] It is traditional for the prime minister to come here and open your course of study by outlining for you the orientations of the country's defense policy. Under the provisions of the Statute of 7 January 1959, it is, in fact, the head of government who, as "the official responsible for national defense," is charged with "overall control and military direction of the defense effort, on the high authority of the President of the Republic, the commander-in-chief of the armed forces." The profound changes which have occurred in the country's political balances of power and the circumstances of your schedule are such that my presence among you apparently arouses some curiosity.

You personally, and many others beyond this auditorium, expect me to give you reliable and exact information. Yet, it so happens that your opening session is being held before the government has been able to complete its policy discussions. You will readily understand, therefore, that it is not for me to anticipate, here and now, our future decisions.

You may rest assured, however, that the government does have a very definite idea of its defense policy. For more than 10 years now, we have been making an exhaustive study of this subject, thanks particularly, need I say, to the work directed by Charles Hernu who is now the defense minister and whom I am pleased to greet here today. The IHEDN has already contributed greatly to these studies. It must continue to do so. Your institute is one of the very few and privileged forums in which all elements of the nation are able to meet and calmly debate the necessities and constraints of our common security.

As the first head of a leftist government under the Fifth Republic, may I remind you that while the need for such an institution was demonstrated back in 1931 by Admiral Castex, it was Leon Blum who, in 1936, founded the College of Advanced National Defense Studies to which you are the heirs. Moreover, the head of the Popular Front Government was already explaining back then that the college's assigned purpose was to establish "unity of sentiment, thought, and doctrine" among all auditors.

I know that under Admiral de Castelbajac's guidance, you will maintain this already long tradition and forward to me at the end of your course the results of what I hope will be rich, original, and hence fruitful study and analysis.

To help you in your task, I should like to outline rapidly the frame of reference in which your research should be conducted.

For a government, defense, like the threat, is comprehensive and cannot be considered solely from the military viewpoint. Before even talking strategy, before even talking armament, it is advisable to ascertain whether a defense spirit exists within the national community.

For this defense spirit to show itself, it is necessary that the sense of community be alive throughout the country. A divided country is a weak country. To have Frenchmen actively assume responsibility for their own security, they must feel bolstered and protected by their belonging to the nation. Take unemployment, for example. Who cannot help but see, if only from the example of certain neighboring countries, what a pernicious effect it has upon our social structures. It tends to disaggregate them.

On one hand, we witness the gradual estrangement of part of our youth who, feeling excluded from the national community, tend to rebel against it and become delinquent. On the other, we see a growing mass of welfare recipients who passively resign themselves to being second-class citizens.

Consequently, what possible significance can the defense spirit have for either of these two segments of our society? The government's policy, aimed both at economic recovery and a new distribution of the workload, is designed to remedy the divisions thus created.

Before being able to ask citizens to assume their responsibilities to society, the latter should first protect their rights, and foremost of all, their right to work.

It is particularly by incorporating these established facts that we must continue and intensify our reappraisal of compulsory military service, its content, and term. In addition to the fact that our nuclear deterrent force cannot be the sole guarantee of our defense and that our three traditional services must have sufficient well-trained and well-equipped personnel, compulsory military service is one of the expressions of national solidarity. It is through such service that the unity of the French people can and must show itself, a unity indispensable to the effectiveness of our defense policy.

Although the present conjuncture precludes shortening the term of compulsory military service in the immediate future, there is still a need to improve that service's effectiveness. This period, during which each citizen fulfills certainly a duty, but, above all, exercises his right to learn the profession of arms, must be a period of genuine instruction and training. And since this is a right vested in each citizen, there is no reason for women to be excluded therefrom in the name of an historical tradition. Hence women's volunteer service should be encouraged.

A more substantial and truly operational compulsory military service system would make it possible to define dynamically the problem of territorial defense by resorting to a veritable people's mobilization.

The second factor a government is compelled to take into account when considering defense is the operation of our production system. The country's independence depends, to begin with, on the strength of its economy, the autonomy of its technology, and the stability of its supplies of energy and raw materials. France has seen its position in these different areas weaken under the impact of an international crisis. Here also, the government's policy is designed to effect our indispensable recovery, notably by using an expanded public sector as a fulcrum, by controlling the money market through nationalization of credit, and by providing very substantial government funding for civilian research.

In the energy field, without prejudging the results of the coming parliamentary debate, I can say that the government is determined to pursue a policy based on three key ideas:

- a. Expedite energy conservation which has the dual advantage of sparing our foreign currency reserves and creating jobs, particularly in small and medium-sized businesses.
- b. Exploit our natural resources to a maximum degree, whether it be, for example, by reexamining the status of our coal basins or developing the forest products of French mountain ranges.
- c. Continue a nuclear power plant construction program with all necessary safeguards.

Admittedly these characteristics are not peculiar to France alone. The economic crisis affects the Western World in general and hits hard at our European partners in particular. Accordingly the entire geopolitical area in which we are located is weakened, because any decline in one European Community country causes the entire community to lose strength. That is why a European-level reorganization and solidarity effort is a must.

What is actually striking is the fact that each one of our countries faces equivalent problems, irrespective of sociopolitical particularisms. In Europe, the same obstacles stand in the way of establishing a common social space, advocated by President Francois Mitterrand, as well as a military defense space.

In addition, the fabric of our alliances is in danger of becoming frayed whenever this or that partner places himself in position to wage veritable economic warfare against us.

France intends to remain faithful to its allies, among which the United States holds the foremost place. The government is fully aware of the basic motivations the American deterrent makes to the balance of forces. Yet let us not let ourselves be led to see that this American deterrent is designed to protect the United States primarily, the Western camp of course, and not merely France, naturally. But I was going to say, not France primarily!

Though France did voluntarily withdraw from the [NATO] integrated military organization, it views the Alliance as not only a collective security organization, but especially as a human community to which it belongs and in which it follows a policy consistent with its own genius. Therein lies our commitment, but it ought to be possible someday to adapt the treaty's content to the new historical context.

France likewise remains faithful to all the treaties which produced the Western European Union. This respect is, in fact, what prompts France to promote construction of a united Europe with a view to common economic recovery, reduced inequalities, and sincere cooperation with developing countries.

France does not forget the bonds it has forged overseas, particularly in Africa, and whose strength is manifest regardless of the vicissitudes of history. In the name of this heritage, our country must play a dynamic role in relations between countries that are industrialized and those that are not. In particular, it must apply itself to ensuring that North-South relations, on which the future of mankind depends, are not continuously hampered by the East-West debate.

We reject the concept of a bipolar world. It is only by increasing the number of decision-making centers that necessary evolutionary changes can develop, that Europe can retain its autonomy, and that the Third World can attain real independence.

It is this analysis that leads us to assert forcefully the right of self-determination of nations. It also induces us to fight against foreign interventions, whether it be in Africa or Latin America, in Poland or Afghanistan. Lastly, this analysis will always make us staunch defenders of human rights.

It is because we are convinced that the most serious perils threatening our planet are underdevelopment and nuclear proliferation, that we firmly declare our support for simultaneous arms reduction and negotiations. Yet such negotiations are possible, notably with respect to the European area, only if first there is a balance of forces. If this balance is upset, which is the case at the present time, then it should be restored, as clearly stated by the President of the Republic, before any substantive discussion can begin.

As you can see, France's policy is by no means a neutralist policy. Even if we should wish to follow a neutralist policy, our country's mere geographical situation would preclude our doing so. Furthermore, given our level of development, any isolation is impracticable. We must draw the inferences from this fact, especially when examining the defense of our borders and their approaches. Aggression against France does not begin when an enemy forces his way onto our national territory.

Awful as the threats that arise in a world which is unstable and which, unfortunately, more often than not turns its back on the international community's accepted rules of behavior, faithful to its alliances, and conscious of its belonging to a European space, France intends to retain its freedom of choice and decision in military matters, the last resort of external relations.

The instrumentality of this autonomous decision-making is the nuclear deterrent. If General de Gaulle was able to pursue an independent military policy that led to France's withdrawal from the North Atlantic Treaty's integrated military organization, it was because he chose to arm the country with nuclear weapons. It is true, however,

that research in this field had begun much before General de Gaulle came to power.

The present government assumes full responsibility for this choice. Indeed, the country's military equipment gives it no other means of redress.

Prompted to seek an independent military defense, our country built a powerful nuclear force for which it is indebted to no one. This force gives France a specific role in the world and particularly in Europe.

Commensurate with their own strategy, the United States and the Soviet Union have each equipped themselves with an arsenal of weaponry, the asymmetry of which stems from the different concepts on which these countries are founded. The build-up of these arsenals has culminated in a situation marked by the fact that official agencies, and not the least important of these, publicly doubt that the United States has retained its supremacy. Yet the balance of forces is, to say the least, absolutely essential to the prevention of war, and especially to more effective organization of peace.

Under these conditions, the continuing purpose of the French deterrent force is to discourage preventively an adversary from launching an attack upon our vital interests, and chiefly against our national territory. Armed aggression upon France's sovereignty is actually the most serious threat the nation must be prepared to counter. The problem is one of preserving our national independence, in other words of having the capability of making political and diplomatic choices in complete freedom.

The potential aggressor must clearly perceive that his action will cause him, in retaliation, heavy loss of life and material destruction incalculable with any benefit he may expect from his initiative.

From this viewpoint, war constitutes the failure of deterrence.

French strategy continues, therefore, to be one by which the weaker country deters the stronger. This means our strategy can only be an anticipatory strategy. Its mainspring is the capability of inflicting upon even a more powerful aggressor a degree of damage deemed greater than the stake our country's vital interests represent to him. This strategy has been made possible by what is called the equalizing power of the atom. Yet this deterrence must also be credible, that is to say essentially actuated by an unshakable political will buttressed with an unequivocal and announced doctrine, as well as with capabilities sufficient to compel the adversary to take them into account and renounce his attack.

A strategy is not immutable, however, and has to be adapted to changing threats and technologies.

It is impossible, of course, for France to adopt, like the United States, a strategy of deterrence comprising a varied and complete range of responses that could be tailored, depending on the situation, to the different possible levels of aggression. This strategy, which is no doubt adapted to American capabilities and interests in Europe, calls for taking a whole series of actions corresponding to the aggression's degree of violence. The objective is to reestablish deterrence at a chosen level by using the threat of a more damaging retaliatory strike to discourage the enemy from moving up one more level in this escalation of violence.

Under this concept, Europe may well be viewed by the United States as merely one rung on the ladder of violence and not one of the paramount aims of U.S. defense. This eventuality is unacceptable to Frenchmen. It should make Europeans give serious thought to the prospect of a united political system possessing an independent defense.

This American strategy implies an adequate array of weapons, something that is totally impossible for France when compared with the arsenal built up by the two superpowers. Moreover, the American strategy is officially rejected in toto by the Soviets. The United States is endeavoring, therefore, to impose it on the USSR, but the level of military power attained by the Soviets makes this endeavor more and more difficult.

The Warsaw Pact forces are quantitatively superior to NATO forces. This superiority is now even greater since the Soviets have developed, with the SS-20 missile, a weapon system that threatens specifically Europe. This superiority has a destabilizing effect and consequently justifies the existence of an independent French deterrent force.

This continuous development of nuclear weapons forces France to keep continuously modernizing its own capability.

At the present time, our strategic nuclear forces are organized into three complementary components:

- a. Mirage 4 bombers whose versatility gives the government gesturing capabilities in crisis management.
- b. Surface-to-surface missiles on the Albion Plateau which, by their characteristics and their deployment on national territory, require an enemy wishing to destroy them to launch a large-scale attack that cannot remain anonymous.
- c. Fleet ballistic missile submarines which, by their open-sea invulnerability and the threat they pose at all times and under any circumstances, constitute a second-strike capability safeguarding our national territory.

The decision to build a seventh fleet ballistic missile is being studied within this general framework. With this additional nuclear submerine, France will be able to maintain three invulnerable submarines at sea, ready to fire their 48 megaton-yield warheads at all times and under any circumstances. This capability will be further increased when the M-4 multiple warhead missile becomes operational in 1985.

Given the current and foreseeable state of the art, the nuclear submarine will remain a decisive component of our defense system until at least the year 2000. It is actually invulnerable because it is undetectable when deeply submerged. The increased range of the delivery vehicles becoming operational in 1985 will further enhance this invulnerability by expanding the areas over which the submarines may patrol.

While the strategic ocean-going force does represent the backbone of the French deterrent, the latter cannot, however, be limited to this single component. As a matter of fact, the deep interest in diversification is prompted by the threat of a still possible technological breakthrough. Accordingly we also have to complete our modernization of the Albion Plateau missiles and even a few Mirage 4 bombers that

are to be equipped with the medium-range air-to-surface missile.

It is still necessary, therefore, to continue our effort to keep pace with technical advances. In this connection, we can place in service another component that would replace the Mirage 4's, the first of which began flying back in 1959.

Despite continuous adaptations and modernization, the strategic nuclear deterrent may prove to be inadequate by itself alone or may be circumvented.

To avoid this circumvention, the strategic nuclear forces are supplemented by conventional forces whose power has been enhanced by the addition of tactical nuclear weapons.

This tactical nuclear capability is meant to restore deterrence to its strategic level.

Employment of tactical nuclear weapons would signal the President of the Republic's determination to go all-out and resort, if need be, to using strategic nuclear weapons against population centers.

Hence it is not a question of using tactical nuclear weapons to win a battle, but of brandishing through them, and in credible fashion, the strategic nuclear threat if the aggressor, in spite of everything, were to start an armed conflict in the European theater.

The presence of such weapons within our conventional forces also compels the enemy to disperse his forces for nuclear safety reasons, thereby reducing his offensive capability.

For 7 years now, the French Army has been armed with Pluton [tactical nuclear missiles] for which a successor will soon have to be found. The navy, with its carrier-based Super-Etendard aircraft, and the air force, with its Jaguar aircraft and soon its Mirage 2000's armed with the medium-range air-to-surface missile, also have a tactical nuclear capability.

As is the case with our strategic forces, we must likewise keep abreast of technological advances by regularly adapting and modernizing the delivery vehicles and weapons in our tactical nuclear arsenal.

The United States recently decided to arm itself with enhanced radiation weapons, the so-called neutron bombs. The Soviet Union, according to its own statements, is also fully capable of producing such weapons. These developments must serve as a warning to us.

Neutron weapons are tactical nuclear weapons for the same reason as the others. Hence they pose a threat of being used on a battlefield that could extend to Western Europe. As far as we are concerned, it would not be rational to renounce offhandedly acquisition of a weapon that might enhance our deterrent potential. This weapon's capability still requires extensive research. For this reason, the government has decided to continue studies in this field.

Obligations proceeding from the Brussels Treaty of 1948, as well as our membership in the Atlantic Alliance and the impossibility of dissociating ourselves from our immediate neighbors, all serve to explain our military presence on German soil. This part of our military disposition of forces is not an isolated element. The military threat France must guard against is a multiform threat. Such is the price of our strong wish for peace.

The French Republic will never initiate a conflict, an initiative which by definition belongs to the aggressor, as do the methods of attack. This implies that we must consider several possible scenarios. Refusing to give ourselves the means of reacting to a possible land attack would ultimately cast doubt on our resolve to defend ourselves and consequently on our strategy of deterrence.

Beyond our national territory and beyond even the European theater, in addition to international commitments that it is imperative to keep, France's vital interests also include protecting the country's resupply of raw materials and maintaining a capability of guaranteeing the security of French nationals overseas. It is absolutely necessary, therefore, to maintain a triservice external action capability composed of army, air force, and of course, naval elements.

This particular military capability is also part of the deterrent in that it contributes to the defense of our independence. The increasing military build-up of all nations, including Third World countries, leads us to reexamine the type of force that should be assigned to these operations. These forces must have a real multimission capability so as to avoid having our troops confronted with a better-equipped adversary.

The armament policy, which these facts show to be necessary, cannot do without programming, if only because of the time required for the design, production, and deployment of a weapon system. This programming is to be included in the interim 2-year plan, and then in the 5-year plan currently being prepared.

France has two possible courses. It may purchase its arms and thereby accept a position of dependence, or produce its own--possibly in cooperation with Allies--and thus ensure the country's independence. But independence is expensive, especially for a medium-sized power. Where arms are concerned, it is necessary, therefore, to make judicious choices. We are not allowed to make a mistake, because we cannot offset it as a superpower would. Furthermore, our arms industries must be profitable.

France is not cut out to be an arms merchant. Yet France cannot give up exporting military equipment. It is its own best interest, of course. In the best interest also of its partners, because such exports enable them to increase their margin of independence by sparing them from having to turn to one of the superpowers with all of the consequences this type of relationship entails. Let us not forget that our arms industry's influence stems primarily from its independence.

In this connection, the government is, nevertheless, determined, while scrupulously respecting contracts already signed, not to supply military equipment to countries that practice discrimination contrary to the most basic human rights.

In this panoramic survey of our defense policy, there are still many other points I could discuss, and particularly all those directly related to personnel. But the defense minister will shortly have occasion to speak to you about such matters in the name of the government. I do not, however, wish to conclude my remarks without first saying a word about civil defense. The latter is, in effect, an important factor in the necessary development of that defense spirit I mentioned earlier.

In the dialectic of deterrence, France would have to initiate nuclear retaliation against an enemy threatening its vital interests, an enemy who could himself respond with nuclear weapons. France may also be the target of a surprise nuclear attack. The very short time of flight of missiles and the effects of nuclear weapons do not permit totally effective protection of civilian populations. Nevertheless, informational and protective measures should make it possible to limit loss of lives and property.

How can the French people be denied the right to be informed on this subject? It is absolutely necessary, therefore, to form a broad-based organization charged with instructing the population in preventive and curative measures that would considerably reduce casualties in the event of a nuclear attack. In addition to the fact that such an organization would enhance our deterrent by publicly demonstrating a very real recognition of the nuclear risk taken by civilian populations, it would also prove useful in peacetime by providing relief and assistance in natural or accidental disaster situations.

Ladies and gentlemen, in concluding this briefing on governmental policy, I should like to recall for you the terms of the 1959 statute I referred to in my opening remarks. This statute specifies that "the purpose of the defense establishment is to protect at all times, under any circumstances and against all forms of aggression, our territorial security and integrity as well as the lives of our people." These words take on their full and complete meaning today because the dangers we face no longer stem solely from the threat of a sudden brutal invasion.

I am, of course, the prime minister of a government committed to change, but there is at least one point about which permanence is indispensable, namely the imperatives of defense.

The military establishment has the mission of coping with certain types of threats while still being largely subject to a series of restraints inherent in the international and national situation. Aggression now assumes a multiform and complex character in which all factors overlap. Consequently the defense system must be comprehensive, and thus be fully adapted to the exigencies of this day and age and even more to the crisis environment in which we now live.

The defense system is designed to protect the whole nation and for this reason has several facets, all coherently interconnected, irrespective of the gravity of the threats. The necessity of such coherence is self-evident, but this need has not always been clearly perceived, both in the recent past and at the present time. Accordingly our first objective is to restore this coherence.

The country's defense and security are imperative requirements transcending political choices. They are incumbent upon any government and particularly the one I have the honor of heading.

In a world where the threat is comprehensive, defense is, of course, not incumbent solely upon the military. But their role is nonetheless irreplaceable.

The President of the Republic and the government know they can rely on the armed forces, whether it be their regulars or draftees. They hereby express their confidence in those forces.

They also know they can rely on the defense spirit of the country's key economic and administrative officials who successively attend your institute each year. They hope that this example will serve the country as a whole and that our fellow citizens will assume responsibility for their defense problems.

Admittedly, in this troubled world in which we live, they are sometimes apt to question and doubt. I should like to have them weigh the fact that while yesterday organizing France's defense meant preparing for war in order to win it, today perfecting our defense means preventing war and giving ourselves additional reasons to believe in peace.

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PAPER REPORTS BITTER FEUD INSIDE PROGRESSIVE PARTY

Reykjavik MORGUNBLADID in Icelandic 5 Nov 81 p 2

[Article: "Bitter Feud Within Progressive Parliamentary Group: 'The Issue is Correct or Incorrect Rate of Exchange,' Says Olafur Th. Thordarson, MP"]

[Text] The parliamentary group and the executive board of the Progressive Party sat through a long and strenuous meeting from 8 pm to 2 am the night before last. On the agenda were the position of the industrial companies, rate of exchange, the enormous interest burden being carried by companies and the interplay of government institutions and the Cabinet. According to sources available to MORGUNBLADID, ministers and the administration were severely criticized for "sluggishness in rescue measures"; incorrect rate of exchange; the prevailing "penalty interest system", etc., to use the words of the people interviewed from the parliamentary group of the Progressive Party.

"I do not feel that a devaluation of the krona is a realistic approach. The issue is correct or incorrect rate of exchange," said Olafur Th. Thordarson, MP, in an interview with MORGUNBLADID regarding the meeting. He added further: "I feel it is the task of the Central Bank and the National Economic Institute to continue to be on the alert by supervising that transactions involving the exchange of domestic currency into foreign currency so that a clear act of confiscation does not take place.

Thorarinn Sigurjonsson said that it was the consensus that ways had to be found to reduce the tremendous finance cost. When asked, Sigurjonsson did not deny that there were voices within the parliamentary group claiming that devaluation was the only right approach.

The chairman of the parliamentary group of the Progressive Party, Pall Petursson, said that the Progressives realized that the situation was poor but people could not completely agree on how to react in order to secure the operational basis of the economic life. He said that the financing cost of businesses was "extremely high" in many sectors and that the penalty interest system enforced by the banks was extremely heavy. When he was asked if the administration had been criticized for incorrect rate of exchange quotation, he answered that primarily the sluggishness in rescue measures had been criticized.

Petursson said he felt that there was not enough interaction between the administration and the Economic Development Institute; and that there were primarily two matters that had to be solved, that is to build a firmer basis for the industrial companies and also to start operating those companies that had already stopped operations. Petursson said further that the matters had not been finalized when the meeting ended; all speakers had not been heard and therefore no agreements had been made. Petursson said that there was no set time for further discussions--that would depend on what, if anything, would be done in the matter.

Tomas Arnason, minister of commerce, was asked what he had to say about the accusations which had been made against ministers and the administration at the parliamentary group meeting. He said he did not want to elaborate on that. He was also asked, in connection with his statements in the Althing to the effect that he was against great increase in foreign borrowing in the Finance Bill, whether he had not passed the bill in the cabinet. "Yes, I have agreed to propose it." He was also asked whether he would be instrumental in initiating amendments regarding that in the bill during its readings in the Althing. "I do not want to comment on that," he said.

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CARRILLO DEFINES HIS POSITION ON MAJOR ISSUES

Algiers REVOLUTION AFRICAINE in French 9-15 Oct 81 pp 22-26

[Interview with Santiago Carrillo, secretary general of the Spanish Communist Party, at his party's Committee offices in Madrid, by Zoubir Souissi: "Santiago Carrillo Touches On the Major Issues of the Day"; date of interview not specified]

[Text] Santiago Carrillo, secretary general of the Spanish Communist Party, met with us for a long time at the offices of his party's Committee in Madrid to speak to us about the major issues in his country, its region, and the world. Obsessed by his country's and party's independence, the Spanish communist leader makes a lengthy argument in this interview against Spain's entry into NATO, which entry will in his eyes move the struggle between the military blocs and the arms race into Spain's part of the world. Instead he preaches neutrality for Spain and independence for Europe vis-a-vis the superpowers. For Santiago Carrillo a neutral Spain and a Europe disengaged from blocs will be able to maintain relations with the non-aligned countries based on a belief in equality and will together be able to make up a real force for peace, harmony and cooperation among nations.

Regarding the domestic political situation in Spain, the secretary general of the PEC [Spanish Communist Party] made a political and economic assessment for REVOLUTION AFRICAINE and mentioned his party's patient and persistent work to regain the electoral ground which his political formation had before the Civil War. But he said that first of all democracy must be strengthened since the Fascist threat is still present. A realist, he advocates a government of national union which would unite the country's main political forces and which would have the PEC's support from outside.

Santiago Carrillo, a champion of Eurocommunism, is a clear-sighted man and a rigorous analyst who knows his briefs well. With regard to relations with the FLN [National Liberation Front], he declared his intention to us of improving and increasing those relations especially since both parties work actively for independence in all dimensions, national and international.

[Question] After the fashion of several Western countries, Spain is going through an economic crisis which is characterized by unemployment and inflation. And this situation is keenly felt by the most disadvantaged classes. What do you think about this, Mr Secretary General?

[Answer] As you say the situation in Spain is difficult. We have been brought into the world economic crisis with which you are acquainted and it is having noticeable repercussions in our country. Thus, there is the unemployment problem which is becoming very serious and is severely affecting young people. A large number of firms which do not have the capacity to resist the consequences of this crisis find themselves in trouble. It must be added that even the very large companies are having modernization and reconversion problems.

In our capacity as the Spanish Communist Party we have proposed to the country a job creation plan which would require government investments and an expansion of the economy's public sector. We have made this proposal because things must be seen as they are, because private investment is very low and if we want to effectively face up to the unemployment problem it is the state which must put in the major effort. In fact, we have to face up not only to the effects of the world economic crisis but also to the attitude of the great majority of entrepreneurs and owners who during the dictatorship period had acquired a taste for easy and profitable deals with the state's protection, and who, since the democratic change of government, no longer want to risk their capital. Hence the urgent need for state intervention to solve unemployment by the creation of sufficient jobs. If the scourge of unemployment goes unchecked, and indeed if it is not stamped out, it can become a destabilizing element.

Besides unemployment, there are a number of small and medium-sized businesses which provided a livelihood for many people which are also threatened. It is in our interest to protect them and prevent their collapse. To come back to the plan which I have already mentioned, I must say that we have not yet achieved spectacular results. We have taken an important first step by the signing of an agreement between the government and the trade unions to create 350,000 new jobs as of next year. The creation of these jobs is meant to be the state's responsibility, and they would make it possible to halt the growth of unemployment. That does not solve the problem but contains it within its current bounds. Most of all it would provide hope. The agreement is signed and we have been party to it. The question now is knowing how it will be implemented! And that depends mostly on the government.

[Question] Does the government have the will and the capabilities to give this agreement concrete form?

[Answer] I must frankly tell you that we have a government which does not have sufficient parliamentary support and which has even less support in the country. It is for that reason that we have proposed creating a representative government backed by a large parliamentary majority, which is to say a government with the participation of the Socialists to which we will give our support from outside, provided that we discuss its program beforehand and also provided that the program is able to solve the country's serious economic problems. We are certain that only this wide-ranging a government can ensure democratic transition--we are still right in the middle of democratic transition,--the organization of a new stage of autonomy, and also the establishment of an atmosphere of confidence in the country about the whole democratic process.

All that has not been possible up to now and the fault lies with the Center Union Party, and I have the clear impression that it also lies with pressure by groups of foreign interests. And when I talk about foreign interests I mean the multinationals and the Americans.

[Question] That brings us to consider the very important issue of early elections. They seem unavoidable to many observers, whereas you declared at the PCE's [Spanish Communist Party] celebration meeting that you were opposed to them. On the one hand you are in favor of a more representative government and on the other you do not want early elections. May we know why?

[Answer] You know we are a very young and very fragile democracy. We have already had elections held ahead of schedule and they have not sorted out Spain's problems because the relative distribution of political forces on the scene remained about the same. In my opinion, if this very moment there were a new election, we would find ourselves faced with the same result, that is, no fundamental change. It is very possible that the left might gain some but not enough votes to obtain a comfortable majority which would allow it to govern. And we would be faced with the need to conclude a broader agreement, something which by the way would be understandable because in all countries where fascism has been defeated there has been in an initial stage a government of national union made up of the forces which reorganized the country and set it going. In Spain's circumstances this is even more essential if we want to stabilize and strengthen democracy.

So, early elections do not sort out the problem but even more than that they risk discrediting the election system itself among a portion of the electorate. They could give the impression that elections do not come to anything, and, in a country where the threat of a coup continues to hang overhead, that can be dangerous.

[Question] What is the Communist party's position on the Spanish political scene?

[Answer] We are the third largest political party in the country. At the last legislative election we gained some 400,000 votes. We are continuing our advance. This is not a spectacular advance because we are paying for the consequences of 40 years of fascism and dictatorship during which it was said that the PCE was absolute evil, was the devil. So we must regain electoral ground knowing that this requires a certain amount of patience. That is why we are not in a hurry. We are not seeking to get into the government. All we are concerned about is the consolidation of the democratic system of government in which our advance will be possible and the solution of problems like unemployment, of which the working masses who are our main support are victims, will also be possible.

At the same time, we run the country's largest group of affiliated trade unions and we have great influence over the trade union movement. We also have a political influence in the country which in actuality exceeds our relative parliamentary representation. There is a large area of sympathy towards the Communists. And these sympathizers are not yet voting communist because they say that if too many people vote communist there might be a coup. But the fund of sympathy our party enjoys can be readily verified in demonstrations of the PCE celebration type. In spite of this year's bad weather, there were extraordinary crowds as you must have observed. That is understandable; the PCE celebration is the largest people's demonstration which takes place in Spain. Hundreds of thousands of young people

come to share with us, and even if all of them do not vote for us they come because our party has an enormous amount of influence and great prestige. And then there are also communist cadres in the trade union movement among educated people, and among artists and writers.

[Question] All in all, you are the party of the future?

[Answer] Of course!

[Question] If you like let us turn to the issue which preoccupies the whole Spanish nation: Spain's entry into NATO. I would seem that the Spanish Government wants to move fast. You want to submit the issue to a popular referendum in accordance with the constitution. Do you think you will succeed in that and how?

[Answer] The first result of Spain's entry into NATO will be to trigger a race to expand the military blocs. As for us, we are convinced that the military blocs are an obstacle to peace, to humanity's progress, to the collaboration of nations, and to their independence. Moreover, we favor the simultaneous elimination of the military blocs. That may seem utopian, but if we want peace to be maintained, the elimination of the blocs has to be arrived at.

That is on the one hand.

On the other hand, we feel that Spain's entry into NATO might contribute towards making Spain a focus of debates and confrontation between the superpowers. Just as that entry is going to move those debates and that struggle between the blocs further towards the Mediterranean, and also because neutral Spain can and must foster extensive relations with the non-aligned countries. And that is the path along which our country must develop its international policy. Our interest dictates to us specifically and to Europe generally that we maintain relations of equality with the non-aligned countries, relations which be beneficial to everyone: to the non-aligned countries, to Spain, and to Europe. We sincerely think that Europe should have a policy of autonomy vis-a-vis the superpowers and a policy of egalitarian--which I emphasize--democratic and fresh cooperation with the non-aligned countries. In this way Europe could, along with the non-aligned movement, make up a force for peace and a force for independence. Why this plea? Quite simply because the strategic balance is maintained by nuclear weapons. What are military blocs? They are instruments of political and economic power which reduce and limit the independence of other nations. They are also fearsome bureaucracies, military bureaucracies which spend enormous amounts of money, which maintain and encourage the arms race. Whereas, a more rational utilization of those resources could make it possible to get over and overcome difficulties a great number of people and countries are experiencing in getting the most elementary requirements of life.

And where does all of that lead us? To a situation such that the struggle among blocs and the arms race can lead to an inevitable catastrophe. For that reason we are opposed to Spain's entry into NATO and we are asking the government to organize a referendum in order for the people to be able to give a verdict. We are convinced that if it were to be held, Spain would not go into NATO because not only are socialist and communist voters opposed but a large proportion of UCD [Democratic

Center Union] and Popular Alliance voters are as well. Everyone in Spain is convinced of the danger this entry into NATO represents.

Therefore, we have already started this battle. As of last week we had succeeded in collecting the half million signatures as per the constitution's provision for the organization of a referendum.¹ [There is no footnote text to match this footnote number in the original.] The campaign is continuing and we will certainly top a million signatures. On their side the Socialists are conducting a similar campaign. Besides this, we anticipate several mobilization activities and pressures from the people to get the government to withdraw its attempt to draw us into this NATO business without consulting the people. The constitution provides that in matters of paramount political importance a referendum must be set up. If any matter at present has political importance it has to be this one. So that is the battle we are waging these days and I can tell you that this is not a lost battle. I want to believe that we will make the government understand that its road is not the road to follow.

[Question] Is not the question to be put before Parliament at the autumn session?

[Answer] Yes. In fact, it has already been submitted. This is lengthy bargaining which is beginning, bargaining during which we will not be passive.

[Question] Mr Secretary General, Madrid has hosted and continues to host the conference on security in Europe. Up to now results have been rather meager, and one has the distinct impression that it is a dialogue of the deaf which was started up in Madrid. Is not that your view?

[Answer] In my opinion, the main problem which exists in Europe is that the continent is divided up between the two blocs. There are of course political sympathies towards European autonomy which are becoming clearer each day. But so long as these sympathies do not force themselves to be recognized, Europe will remain divided. The Madrid conference has gone on too long and has not ended up with any result. Why? Because in the final analysis the issue is not being decided in a conference in Madrid or elsewhere. It is being decided in the relations between the two great powers. That is what in my opinion has undercut the credibility of the Madrid conference. The conference is not finished up yet because it is waiting for what the two big powers are going to do. So the European left and all forces of progress on the continent should work along the lines of making Europe autonomous with respect to the great powers. Only at that point will it be possible to talk about European security and cooperation, since, at the point where things are today, the shadow of the two great powers looms behind peace conferences, the two powers are still deciding the issues of our continent and a sizable proportion of the world's issues.

[Question] Another area of turbulence is the Middle East, on which imperialism has set its heart. The latest attack on Libya demonstrates that imperialism is becoming more aggressive in the face of progressive forces which try to thwart it. Do you believe in the reality of a vast imperialist plot against liberation movements and progressive forces?

[Answer] You know that in this issue of the Middle East, as in all liberation issues, the disputes between the great powers are still mixed in. In the Middle

East we see on the one hand American policy, which consists of supporting Israel but at the same time supporting the most reactionary Arab forces and weakening what is a great hope for the Arab World and also for all democratic forces in the world, namely the progressive Arab governments.

During this recent period a new element has become operative, Sadat's policy, which has been to the advantage of both the Americans and the Israelis. Nowadays, as you say, one can see in actual developments this attempt at weakening progressive Arab governments. You have talked about aggression against Libya with good reason; you have not yet mentioned--but I will do so--imperialism's policy against the legitimate aspiration to self-determination of the people of the Western Sahara which people the Polisario Front represents. That is the same policy which is being carried out.

As for us, we stand at the side of the PLO and all progressive Arab governments. Likewise, we stand steadfastly at the side of the people of the Western Sahara and of their legitimate representative, the Polisario Front. And we are prepared to back up our support for these causes, because the Middle East conflict displays not only terrible injustice against the people of Palestine but also a danger of war for the whole world. One might say that the Americans have an interest in perpetuating this situation, but, as for the progressive forces, they are determined to work for a solution in accordance with the legitimate rights of the Palestinian people and which also guarantees other Arab peoples the right to govern themselves in accordance with their wishes.

It is clear that our sympathy goes to progressive Arab governments which struggle to improve life in that part of the world. That is also the reason why we follow with greatest respect the activity and struggle of your party and country at the present time.

[Question] Regarding the Western Sahara and after the resolutions of the OAU's 18th summit recommended a referendum on self-determination, would there not seem to have been an attempt by Morocco with a certain amount of Spanish complicity to rig the polling by providing blank identity cards to the occupying forces? The Madrid Government has denied this news item. What is the real story?

[Answer] I am not informed about that business. We are talking about a great responsibility of the Spanish Government. Spain, which colonized that country, should have left it in the hands of its legitimate owners, the Saharan people. The Spanish governments of that time wanted to rid themselves of a burden, but they created a very serious conflict which could have been avoided if a government had been set up according to just and rational criteria. And besides that there was Spain's duty to the people of Western Sahara.

[Question] Mr Secretary General, on the eve of your visit to Algeria would you like to be specific about the state of relations between your party and the FLN and about what you are expecting from your trip to our country?

[Answer] For a very long time I had been wanting to get in touch again with our Algerian friends because I think that relations between Algeria and Spain must have an important share in Spanish foreign policy. In addition, we have always followed the Algerian Liberation Front's struggle with great sympathy and from the start of

its revolution we set up relations of friendship and solidarity with it. There has already been a space of time in which we have not had any exchanges and I am really pleased to be able to visit your country again and converse with your party's officials about common problems and about interests common to Algeria and Spain. I think that there exists much convergence of views between your party and ours, the most significant convergence being our common wish for independence.

You, like us, think that each people and each revolutionary party must itself determine its choices and policy taking into account the interests of its country's working masses. Which does not mean that the duties of solidarity, friendship and support for forces which fight for freedom and dignity must be forgotten. Finally, I will say that a people must build its future alone with their hands and their own spirit. Nobody can do it in their place. I think that the policies of your party and mine coincide on that point. Moreover, we are concerned, we and you, by the issues of peace in the Mediterranean. The peoples of the countries bordering the Mediterranean should have the real control over the Mediterranean basin. It is not a question of prohibiting other countries' access to it but of protecting it from conflicts from outside. Guard being kept over the Mediterranean by countries bordering it would contribute towards safeguarding peace in this part of the world and towards the demilitarization of our region. We must also watch that the conflicts which I have already mentioned do not spread into our region. When the interests of the great powers are threatened, anything can happen, hence the need to fight the presence of foreign fleets and bases in the Mediterranean.

In conclusion, I think that we are very easily going to find ground for agreement and understanding with our FLN comrades. Finally, I will take advantage of the opportunity to greet the Algerian people and its leaders and to express to them our complete solidarity.

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CSO: 3100/97

MILITARY

INTERNATIONAL AFFAIRS

BRIEFS

INTERNATIONAL DRAFT-RESISTANCE ORGANIZATION--The draft-resistance organizations of six European countries will set up a joint European department in Oslo to reinforce their joint struggle for draft resistance as anti-military peace work. The decision was made at the conference last Sunday in Copenhagen where the participants discussed the situation of conscientious objectors. One of the major common problems is the general lack of alternative training, involving subjects such as peace and conflict research and non-violent action. [Text] [Copenhagen BERLINGSKE TIDENDE in Danish 9 Nov 81 p 5] 7262

CSO: 3106/19

ARMED FORCES TO START NEW BASIC TRAINING SYSTEM

Helsinki HUFVUDSTADSBLADET in Swedish 30 Oct 81 p 17

[Article: "Recruits Will Be Trained More Effectively"]

[Text] Beginning in February next year the armed forces will utilize a more effective training program. The new system was prompted by changes in both the military and society.

Hereafter all recruits in the army, navy, and air force will receive the same basic combat training and it is hoped that the progress of the individual recruit will be followed more closely than before.

Further training will be designed to meet the requirements of the various branches of the military. The most important reform means that the training period of reserve noncommissioned officers will vary in the different service branches. Differences in other training periods will also become greater.

More practical exercises are foreseen in reserve officer training. Future reserve officers will attend only the first half of noncommissioned officer courses before proceeding to officer training, which will occur primarily in Fredrikshamn.

The Goal Is Better Skills

The course for reserve officers will be just as long as the present course, which means that officer candidates will have more time to work within their units. The goal is to give reserve officers better skills to lead and train their men during refresher training.

To give the individual recruit the most suitable training, the military has reworked its so-called basic test. The new version has been in use for 1 year and beginning next year a completely new test will be given.

The new training program has been in effect for 2 years in the coast

artillery. Basic training and reserve noncommissioned officer training last 8 weeks each.

This is followed by a 9-week reserve officer course. The candidate training period includes an 18-week section head course and an advanced course.

After completing the course the reserve noncommissioned officers train two classes of recruits for 27 weeks. The training is completed with a 4-week advanced course for group leaders.

The reform will take effect next year within the army and the air force. In the navy the training will be changed in 1983.

Training during reserve exercises will also be changed. More reservists than before will undergo leadership training in special reserve exercises before the larger maneuvers begin. Certain maneuvers will also be made several days longer.

Level of Proficiency Has Risen

Chief of training at headquarters, Major General Raimo Viita, stresses that one of the most important factors behind the reform is that the general level of proficiency among recruits has risen. The military has clear evidence of this in the form of a study conducted over many years.

Other important factors are the increasing technological aspect of defense, the increasing number of reserve operations, the reform of the army's peacetime organization, and changes in working conditions of regular personnel.

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